

Purchasing Week

McGraw-Hill's National Newspaper of Purchasing

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Vol. 2 No. 38

New York, N. Y., September 21, 1959

\$6 A YEAR U.S. AND CANADA \$25 A YEAR FOREIGN

Can Makers Say New Price Cut May Be on Way

New York—Leading can makers indicated last week they might put further price reductions in the works—provided they can hurdle current labor demands and other cost pressures.

Major can manufacturers carried out another round of price reductions in recent weeks even as American and Continental headed into contract negotiations that opened here Sept. 14. The cuts, third in a series that began last January, ranged up to 18%, affecting meat, coffee, and shortening containers.

Denying this was another flareup of a price war that ran hot and heavy earlier this year (P.W. Feb. 6, '59, p. 1), a Canco spokesman told PURCHASING WEEK: "It was merely another phase of our program aimed at bringing prices in line with costs."

Asked about reports that increases in metal can prices were imminent, the spokesman remarked, "That's just so much talk. I would say that unless costs rise considerably after Oct. 1 (when a year-long freeze on increases expires), there is a greater likelihood for price decreases rather than price increases."

An official at Continental described the cuts last month as "adjustments rather than reductions." He also pointed out that only a steel hike or substantial wage increases in the can making industry would bring about a price jump, "and we're fighting both of these."

National Can Co. would only say, concerning the can reduction, (Turn to Page 35, Column 3)



"FOREIGN PURCHASE" Chief John L. Gampf (left) goes over tubular goods data with Ohio Oil Co.'s Purchasing Agent Everett T. Snyder.

Ohio Oil Joins Parade of U.S. Firms Shaking Down for More Foreign Trade

Cleveland—American industry's rush to expand overseas in the battle for world markets is forcing major reorganizations in the purchasing departments of many of the firms involved.

Procurement for foreign subsidiaries is no pushover, top purchasing brass has learned. An example of what can happen in a relatively short period of time is the case of the Ohio Oil Co., latest in a string of firms to separate purchasing on the distinct lines of foreign and domestic procurement. (see P.W., Sept. 7, '59, p. 1.)

In only about a year Ohio Oil's purchases for foreign subsidiaries has expanded 3½ times—to nearly 10% of their total estimated purchases for 1959. With over-all company purchases topping the 50 million dollar mark, Ohio Oil figures it will spend more than 4½ million dollars supplying its many operations.

Thus, what started out as a (Turn to Page 35, Column 4)

Darkening Cloud Settles On Anxious Steel Users

Governors in Most Heavily Affected States Pressure White House for Immediate Steps to Halt Emergency

New York—The nation's costliest and longest steel strike cast a darkening cloud over anxious and hard-hit users last week.

Pressure on the White House to settle the labor-management deadlock increased in direct proportion to the rapidly sinking supplies still held by plants and warehouses.

Forces pushing the President toward immediate intervention (by Taft-Hartley or other means) to halt a full-blown emergency included:

- Insistence by governors of various states hard-pressed by the strike's economic effects that the President invite both sides to the White House and throw away the key until they reach a strike-ending agreement. Polled by PURCHASING WEEK, the chief executives of half a dozen states said a White House conference should be an immediate step toward ending the strike.

See how past strikes ended, p. 13

- Mounting concern of bigger manufacturers, such as the automakers, that production plans will be derailed if the strike, entering its 11th week, is prolonged (Turn to Page 36, Column 2)

U.S. Won't Dump Stocks in 1959

Washington—Managers of the government's strategic materials stockpiles announced last week it will be another year before they make a move to dispose of \$3 billion in surplus items.

The over-all stockpile strategy was disclosed, however, as the General Services Administration gave advance notice of its plans to sell 470,000 tons of natural rubber from national stockpiles.

Congress was expected to give its okay without significant opposition to the G.S.A. plan to start the rubber sales next year and stretch them over a nine- (Turn to Page 4, Column 3)

Freight Forwarders Cool Hot Fight By Winning I.C.C. Volume Approval

Washington—Freight forwarders have won Interstate Commerce Commission approval on volume freight rates based on piggyback rail service. The rates had been hotly contested by truckers for more than a year on grounds that freight forwarders should be limited to handling only small-sized shipments.

The battle began in July 1958 when railroads installed their Plan III piggyback service between New York and Chicago, offering shippers a flat rate of \$451.50 for hauling two loaded truck trailers on a single flatcar between the two cities. The rates were issued without regard to what commodities are to be shipped—with only minor restrictions—and the shippers required to furnish the piggyback truck trailers.

Freight forwarders immediately started issuing reduced rates based on volumes ranging from 10,000 to 30,000 pounds with them furnishing the trailers. Truckers protested the issue strongly and got the I.C.C. to suspend the rates as they were filed for the statutory seven-month period while the matter was being investigated. Many of the rates however became effective last spring because the I.C.C. had not completed its investigation within the required time limit.

Truckers claimed the use of volume rates coupled with piggyback service in effect put the forwarders in the trucking business and constituted unfair competition to them.

N.Y. Central Slips Bid To I.C.C. in Silence

Washington—The New York Central Railroad has filed the first contract rate tariff in the East and considers it "a good bet" for I.C.C. approval in the near future.

The new type volume rate was submitted without fanfare Aug. 27 to avoid an immediate onslaught of protests from truckers and other carriers. Its schedules cover rugs, carpeting, and floor covering shipped between Amsterdam, N. Y. and Chicago and becomes effective Sept. 30 if not suspended by the commission before that time.

This is the second contract or agreed charge tariff filed by the nation's railroads. The Soo Line in the Western territory filed the first "guinea pig" rate of this type last April.

The Soo's rate was quickly suspended and is now under investigation by the commission to determine its justification.

With this in mind, the Central followed an unusual procedure in filing its tariff. It filed along with it an "affidavit of justification", containing testimony from car- (Turn to Page 8, Column 3)

September 21-27

Purchasing Perspective

More Bounce To the Bounce

The American Economy displayed some of its usual bounce last month, considering the number of belly blows it is taking.

August was the first full month of the now 10-week-old steel strike. Walkouts in nonferrous industries started in mid-August. At the same time, auto industry production lines were coasting to a halt for model changeovers. Even then some fabricators were shutting down because of steel shortages.

As a result, the Federal Reserve Board's index of industrial production—off only two points in July from its record high of 155 set in June—dropped another four points to 149% of the 1947-49 average.

Offsetting the production slowdowns in heavy industry and mining were strong consumer goods demand and high level output in industrial non-durables.

It is interesting to compare the combined July-August drop of six points (just under 4%) in the production index to the total effect of the 54-day steel strike in 1952 that until the current walkout, was the longest postwar steel shutdown.

The 1952 strike blanketed most of June and July, dropping the FRB index four points from 119 to 115—3.3%—in that two-month period. But immediately after the strike ended, (Turn to Page 35, Column 1)

1960 Will Start Off with a Boom

New York—Output and sales boosts for most of the major industries in the nation promise to get the "soaring sixties" off to a booming start next year.

Consumption boosts over 1959 of from about 2% for lead to over 12% for machinery and equipment were predicted by a group of industry executives at the National Industrial Conference Board's annual marketing conference held here last week.

The only note of hesitation that crept into the generally highly optimistic outlook was the effect that a prolonged steel strike might have on business in general next year.

Baring such a strike-centered (Turn to Page 3, Column 1)

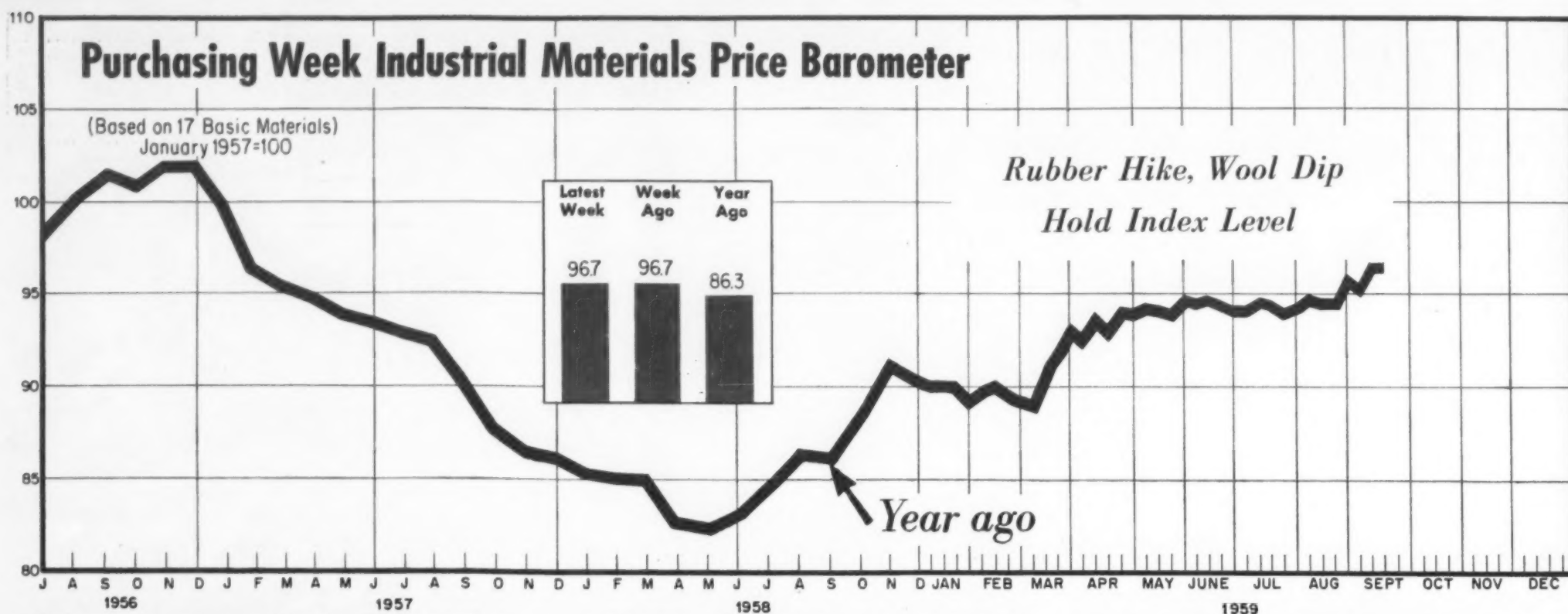
Purchasing Feels Pull Of Office Automation

New York—Purchasing agents are changing their buying habits to meet the requirements of office mechanization. A PURCHASING WEEK survey found that firms all over the country—large and small alike—are feeling the effects of "electronics in the office."

This change in office procedures means that companies are buying different types of equipment from that of five years ago. Needs have changed because:

1. More complicated and diverse types of equipment are coming into use. Electric typewriters, offset printing presses, integrated data processing equipment, and a variety of types of copying machines are finding their way into most offices.

(Turn to page 30, Column 3)



This index was designed by the McGraw-Hill Department of Economics to serve as an overall sensitive barometer of movements in industrial raw

material prices. The index is not intended to give price movements of specific commodities. The items used are important only in that, together, they re-

fect the current general market trend in sensitive industrials. Weekly prices for most of the items covered are published in "Commodity Prices" below.

This Week's Commodity Prices

METALS

	Sept. 16	Sept. 9	Year Ago	% Yrly Change
Pig iron, Bessemer, Pitts., gross ton	67.00	67.00	67.00	0
Pig iron, basic, valley, gross ton	66.00	66.00	66.00	0
Steel, billets, Pitts., net ton	80.00	80.00	80.00	0
Steel, structural shapes, Pitts., cwt	5.50	5.50	5.50	0
Steel, structural shapes, Los Angeles, cwt	6.20	6.20	6.20	0
Steel, bars, del., Phila., cwt	5.975	5.975	5.975	0
Steel, bars, Pitts., cwt	5.675	5.675	5.675	0
Steel, plates, Chicago, cwt	5.30	5.30	5.30	0
Steel scrap, #1 heavy, del. Pitts., gross ton	38.00	38.00	42.50	-10.6
Steel scrap, #1 heavy, del. Cleve., gross ton	38.00	38.00	40.00	-5.0
Steel scrap, #1 heavy, del. Chicago, gross ton	40.00	40.00	45.50	-12.1
Aluminum, pig, lb	.247	.247	.247	0
Secondary aluminum, #380 lb	.239	.238	.217	+10.1
Copper, electrolytic, wire bars, refinery, lb	.305	.309	.261	+16.9
Copper scrap, #2, smelters price, lb	.25	.255	.208	+20.2
Lead, common, N.Y., lb	.13	.13	.108	+20.4
Nickel, electrolytic, producers, lb	.74	.74	.74	0
Nickel, electrolytic, dealers, lb	.74	.74	.74	0
Tin, Straits, N.Y., lb	1.026	1.02	.945	+8.6
Zinc, Prime West, East St. Louis, lb	.11	.11	.10	+10.0

FUELS†

Fuel oil #6 or Bunker C, Gulf, bbl	2.00	2.00	2.25	-11.1
Fuel oil #6 or Bunker C, N.Y. barge, bbl	2.37	2.37	2.57	-7.8
Heavy fuel, PS 400, Los Angeles, rack, bbl	2.15	2.15	2.50	-14.0
LP-Gas, Propane, Okla. tank cars, gal	.05	.05	.05	0
Gasoline, 91 oct. reg. Chicago, tank car, gal	.12	.12	.12	0
Gasoline, 84 oct. reg. Los Angeles, rack, gal	.112	.112	.12	-6.7
Kerosene, Gulf, Cargoes, gal	.084	.081	.089	-5.6
Heating oil #2, Chicago, bulk, gal	.091	.091	.091	0

CHEMICALS

Ammonia, anhydrous, refrigeration, tanks, ton	86.50	86.50	82.50	+4.8
Benzene, petroleum, tanks, Houston, gal	.31	.31	.31	0
Caustic soda, 76% solid, drums, carlots, cwt	4.80	4.80	4.80	0
Coconut, oil, inedible, crude, tanks, N.Y. lb	.188	.18	.154	+22.1
Glycerine, synthetic, tanks, lb	.278	.278	.278	0
Linseed oil, raw, in drums, carlots, lb	.165	.163	.167	-1.2
Phthalic anhydride, tanks, lb	.165	.165	.205	-19.5
Polyethylene resin, high pressure molding, carlots, lb	.35	.35	.325	+7.7
Rosin, W.G. grade, carlots, fob N.Y. cwt	10.50	10.50	9.70	+8.2
Shellac, T.N., N.Y. lb	.31	.31	.31	0
Soda ash, 58%, light, carlots, cwt	1.55	1.55	1.55	0
Sulfur, crude, bulk, long ton	23.50	23.50	23.50	0
Sulfuric acid, 66% commercial, tanks, ton	22.35	22.35	22.35	0
Tallow, inedible, fancy, tank cars, N.Y. lb	.063	.063	.083	-24.1
Titanium dioxide, anatase, reg. carlots, lb	.255	.255	.255	0

PAPER

Book paper, A grade, Eng finish, Untrimmed, carlots, CWT	17.20	17.20	17.00	+1.2
Bond paper, #1 sulfate, water marked 20 lb, carton lots, CWT	25.20	25.20	24.00	+4.1
Chipboard, del. N.Y., carlots, ton	95.00	95.00	100.00	-5.0
Wrapping paper, std. Kraft, basis wt. 50 lb rolls	9.00	9.00	9.00	0
Gummed sealing tape, #2, 60 lb basis, 600 ft. bundle	6.30	6.30	6.40	-1.6
Old corrugated boxes, dealers, Chicago, ton	21.00	21.00	23.00	-8.7

BUILDING MATERIALS‡

Cement, Portland, bulk carlots, fob New Orleans, bbl	3.65	3.65	3.65	0
Cement, Portland, bulk carlots, fob N.Y., bbl	4.18	4.18	4.24	-1.4
Southern pine lumber, 2x4, s4s, trucklots, fob N.Y., mftbm	127.00	127.00	129.00	-1.6
Douglas fir lumber, 2x4, s4s, carlots, fob Chicago, mftbm	2.00	112.00	116.00	-3.5
Douglas fir lumber, 2x4, s4s, carlots, fob Toronto, mftbm	141.00	141.00	132.00	+6.8

TEXTILES

Burlap, 10 oz, 40", N.Y. yd	.10	.10	.105	-4.8
Cotton, middling, 1", N.Y. lb	.329	.331	.36	-8.6
Printcloth, 39", 80x80, N.Y., spot, yd	.195	.195	.177	+10.2
Rayon twill, 40 1/2", 92 x 62, N.Y., yd	.26	.26	.22	+18.2
Wool tops, N.Y., lb	1.685	1.745	1.52	+10.9

HIDES AND RUBBER

Hides, cow, light native, packers, Chicago, lb.	.295	.295	.162	+82.1
Rubber, #1 std ribbed smoked sheets, N. Y. lb	.40	.395	.294	+36.1

† Source: Petroleum Week ‡ Source: Engineering News-Record

September 21-27

Price Perspective

Order of the Day: Stability

Autumn price patterns will be showing some changes.

Sensitive commodity prices, for example, are beginning to pick up after almost four months of relative stability (see chart above).

To be sure, strike-induced shortages in metals are playing a role. But there are other, more basic factors behind the firmness.

• **Seasonal**—Sensitive tags always tend to rise in the fall. It's basically a reflection of increased demand to meet high autumn and winter production schedules.

• **Cyclical**—This is over and above the usual seasonal pull of raw material demand. It reflects the rising business curve that will make late 1959 and early 1960 the biggest boom period in our history.

• **World Demand**—Improved world buying also is playing a substantial role. In today's inter-related economies, a demand boost in one part of the world is quickly translated into price boosts in every other area.

• **Farm price trends also are due for a switch. But in this instance the direction will be down.**

The over-all firmness of the past year will soon be giving way to a trend toward easiness.

A close-to-peak 1959 harvest is primarily responsible. The Agricultural Department's all-crop production index will hit 117 (1947-49 = 100)—only fractionally below last year's all time high.

Leading the pack will be corn, feed grains, sugar and cotton—all which should substantially top year-ago levels.

Meat tags will also be coming down.

Beef eating will become cheaper as the number of cattle on farms reach 102 million head by December—up nearly 5 million from year-ago levels. Pork will also move lower, reflecting last year's big pig crop.

• **Food easiness could also mean an end to rising consumer prices.**

The fact is that much of the recent increase in the cost of living index has been due to zooming food tags.

But now with agricultural prices set for declines, the index should level out. In the next few months, lower food tags will be enough to offset the higher costs of services—like rent, medical care, and recreation.

Cost-of-living stabilization will also mean a respite from "escalator clause" pay boosts. The 4 million workers covered by such contract clauses won't be getting their regular cost of living bonuses—at least not for the next few months.

• **Finished industrial goods are about the only major price category that won't show any significant change in direction.**

Stability will still be the order of the day.

This stability outlook is supported by the current trend in steel negotiations. With little or no steel price boost likely, there's no ready-made argument to "pass through added costs."

The profit picture also lends credence to this non-inflationary trend. Record corporate incomes have eased the cost-price squeeze for a lot of firms. There's generally less fiscal urgency for raising prices.

But that doesn't mean that there won't be any changes in individual products or product lines. Improving business makes this an excellent time for some firms to post long-delayed price adjustments.

Output, Sales Boosts Promise 'Soaring Sixties'

(Continued from page 1)
development, the speakers anticipated record production and sales next year. On the basis of these forecasts, PURCHASING WEEK economists expect total U. S. industrial production to reach 158 (1947-49 equals 100) next year. That would be better than 3% above the level of 153 anticipated for 1959. And this year's total will be some 14% above the 1958 level (see chart at right).

Machinery Prospects Up

One of the sharpest industry sales increases for 1960 was forecast for machinery and equipment by Stuart H. Smith, vice president in charge of sales, SKF Industries, Inc. But Smith was quick to point out that not all segments of industry would be demanding more machinery and equipment at an equal pace in the period.

Smith predicted that automotive industry demand would be up 4% next year while needs of the aircraft, space, and related controls industry would jump 20% over this year in the year to come.

He estimated that construction and mining machinery, electrical equipment, and materials handling equipment maker's machinery and equipment needs would be up 15% over the 1959 needs next year.

As for types of machinery and equipment, Smith stated that demand for internal combustion engines and turbines would rise some 15% over 1959, while office machinery sales would outpace this year's level by about 7½%. For the total industry, Smith predicted sales in 1960 would rise from 12 to 15% above 1959.

Chemicals to See Highs

As total economic activity in the country sets a new record in 1960, "chemical industry sales also will rise to new peak levels." This was the forecast of Allan B. Clow, vice president for marketing, American Cyanamid Co.

For 1960, Clow pointed to the automobile, industrial and public construction, textile, rubber, petroleum, and paper industries as the areas where big chemical demand boosts were expected. On this basis, the vice president predicted that both production and sales of chemicals would set new highs for 1960—better than 7% above 1959.

Nonferrous Trouble—Maybe

Charles R. Ince, vice president and sales manager of St. Joseph Lead Co. began his presentation on nonferrous metals by qualifying his remarks on the basis of current strikes in the steel and nonferrous metals industries. A continuation of these walkouts could adversely effect the economic situation in the country next year, Ince explained.

On the other hand, Ince indicated that any lengthy extension of the copper, lead, or zinc strikes could create supply shortages that would result in pent-up demand which could well carry into 1960.

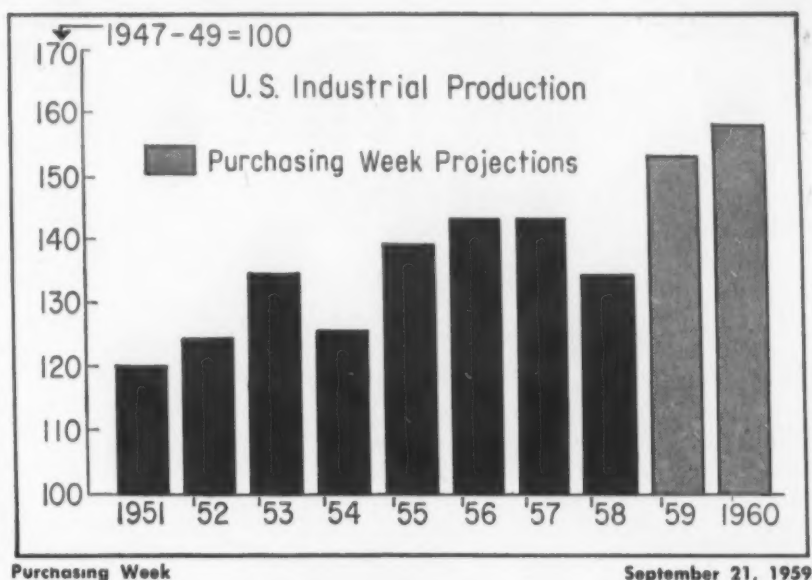
With these qualifications, the vice president predicted that supplies of copper would be ample next year, unless serious work stoppages cut off foreign sup-

plies. He added that these ample supplies would be balanced by boosted demand from the automobile, electric utility, and construction industries, resulting in total 1960 demand for copper outpacing 1959 by somewhat more than 10%.

While Ince forecast stable copper tags through 1960, he indicated that lead tags could firm up a bit next year. This is due to the fact that on top of a year-to-year consumption gain of some 15% in 1959, lead demand is expected to rise moderately—

about 2%—in the coming year. A second factor which should cause some firming in lead prices is import restrictions as a result of government-imposed quotas on the metal.

Ince predicted that this second factor would also push zinc tags next year. And with zinc demand expected to rise 8% over 1959 next year, on top of a better than 25% yearly gain in 1959, the rise in zinc prices in 1960 could well be sharper than the expected boost in lead prices in 1960.



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Washington Perspective

\$5 Billion
For Missiles

Future buying for the military is coming into focus. This is the outlook for the fiscal 1961 military budget—which accounts for close to half of all federal outlays:

Total expenditures will be kept at this year's \$41-billion level. But there will be important shifts in individual procurement. This will mean cuts and stretch-outs.

Aircraft production will slide under the \$6-billion expenditure level for the first time since Korea. The volume of new orders for planes will dip even more. The Air Force probably will get funds to buy still more Boeing B-52 bombers and transport planes, probably nothing for fighter aircraft. There's a question about the Convair B-58 bomber's future. But here is a tip: Much of the aircraft procurement money will go for spare parts rather than new planes.

Work will be continued on North American Aviation's B-70 bomber, but not at as fast a rate as the Air Force wants. Present plans are to begin production in 1962-63. North American Aviation's F-108 fighter project seems almost certain to be cancelled.

Missile production spending will rise roughly \$1 billion to a total of about \$5 billion. Still unsettled is the question of starting production of the Army's Nike Zeus anti-ICBM system (Western Electric and Douglas Aircraft are contractors). A decision to go ahead would boost missile outlays even more. But odds are the Pentagon will postpone a production order.

Electronics procurement will continue to rise. Pentagon experts talk about a 7% rise over this year's \$1-billion rate for so-called "pure" electronics—that is, excluding electronics for missiles, planes, and ships. One big program likely to benefit: ground communications.

Research and development will continue at this year's \$2.6-billion level. Offsetting cuts in aircraft and missile R&D—volume production orders are washing out many research requirements—will be increases for military-supported basic research and for applied research on anti-submarine warfare techniques (essentially electronics). Space projects will continue to get a heavy chunk of funds. But the outlook for the highly-touted Dynasoar project is uncertain.

Military construction spending will drop once more, reflecting this year's \$400-million cut in new contract awards. But the volume of new construction business next year will total near this year's \$1.5-billion amount.

Khrushchev wants to talk more trade with the U. S. for two reasons. First, in the hope that Washington will cut from its export control lists the kind of "highly advanced" technical and scientific equipment and know-how Russia wants, particularly in the petrochemical, plastics; and electronics fields.

Second, because Khrushchev sees the propaganda advantage of a U. S. rejection. Officials concede that the situation can be made to look as if Russia is making all the overtures toward more trade as a tool of peace.

Chrome, manganese, benzene, furs, lumber and wood products, platinum group metals, other nonferrous ores, and raw materials are the primary exports Russia wants to make. These items are either produced in this country or imported from friendly nations overseas.

Washington notes the downturn in the country's production with uneasiness. The Federal Reserve's index of industrial production for late August and early September shows a 3% drop as a result of the steel shutdown.

Fears are that if the strike drags along into October it will prevent much of an upsurge in general business activity for the whole fall quarter.

Weekly Production Records

	Latest Week	Week Ago	Year Ago
Steel ingot, thous tons	345	327	1,771
Autos, units	22,797	17,261	24,072
Trucks, units	12,840	15,427	6,876
Crude runs, thous bbl, daily aver	8,181	8,132	7,845
Distillate fuel oil, thous bbl	11,938	12,569	12,415
Residual fuel oil, thous bbl	6,098	6,373	6,788
Gasoline, thous bbl	29,490	29,348	28,056
Petroleum refineries operating rate, %	84.3	83.8	84.9
Container board, tons	133,997	172,644	103,871
Boxboard, tons	116,494	163,296	115,127
Paper operating rate, %	95.2	95.5	69.4
Lumber, thous of board ft	242,640	263,661	206,963
Bituminous coal, daily aver thous tons	1,219	1,220	1,421
Electric power, million kilowatt hours	13,109	13,759	12,248
Eng const awards, mil \$ Eng News-Rec	298.5	338.8	332.4

Purchasing Week's Wholesale Price Index



Purchasing Week
NUMEROUS PRICE MOVEMENTS, both up and down, balanced each other last month, holding Purchasing Week's Wholesale Price Index level at 103.2 (Jan., 1957 = 100). A boost from July of over 4% in the price of small cutting tools was counterbalanced

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by a 5% dip in industrial materials handling equipment prices. Other diversionary movements came in petroleum products as gasoline and lubricating oils showed a month-to-month rise while residual fuel prices dipped. Textile tags also rose in August.

U.S. Won't Dump Stocks in 1959

(Continued from page 1)

year period to avoid upsetting domestic rubber prices. But the G.S.A. announcement was followed quickly by a British Board of Trade decision that it too intended, starting next month, to dispose of some of its stockpiled rubber.

Rubber Quotes Up

Net effect of both the U. S. and British statements was to give the rubber market a sharp jolt and rubber quotes both here and abroad were off sharply on the news. But strong Western demand plus still heavy Red buying were expected to keep the drop within bounds.

The over-all stockpile disposal policy, as revealed by Assistant Director J. Ray Price of the Office of Civil and Defense Mobilization, was expected to spark political fireworks in 1960.

Wants to Unload

Price, addressing the American Mining Congress at Denver last week, said the government would like to unload \$3 billion worth of excess strategic metals and minerals but will wait until late next year before asking congressional approval. The delay will allow the O.C.D.M. to complete another study of minimum defense requirements in atomic attack.

Broader Disposal Authority

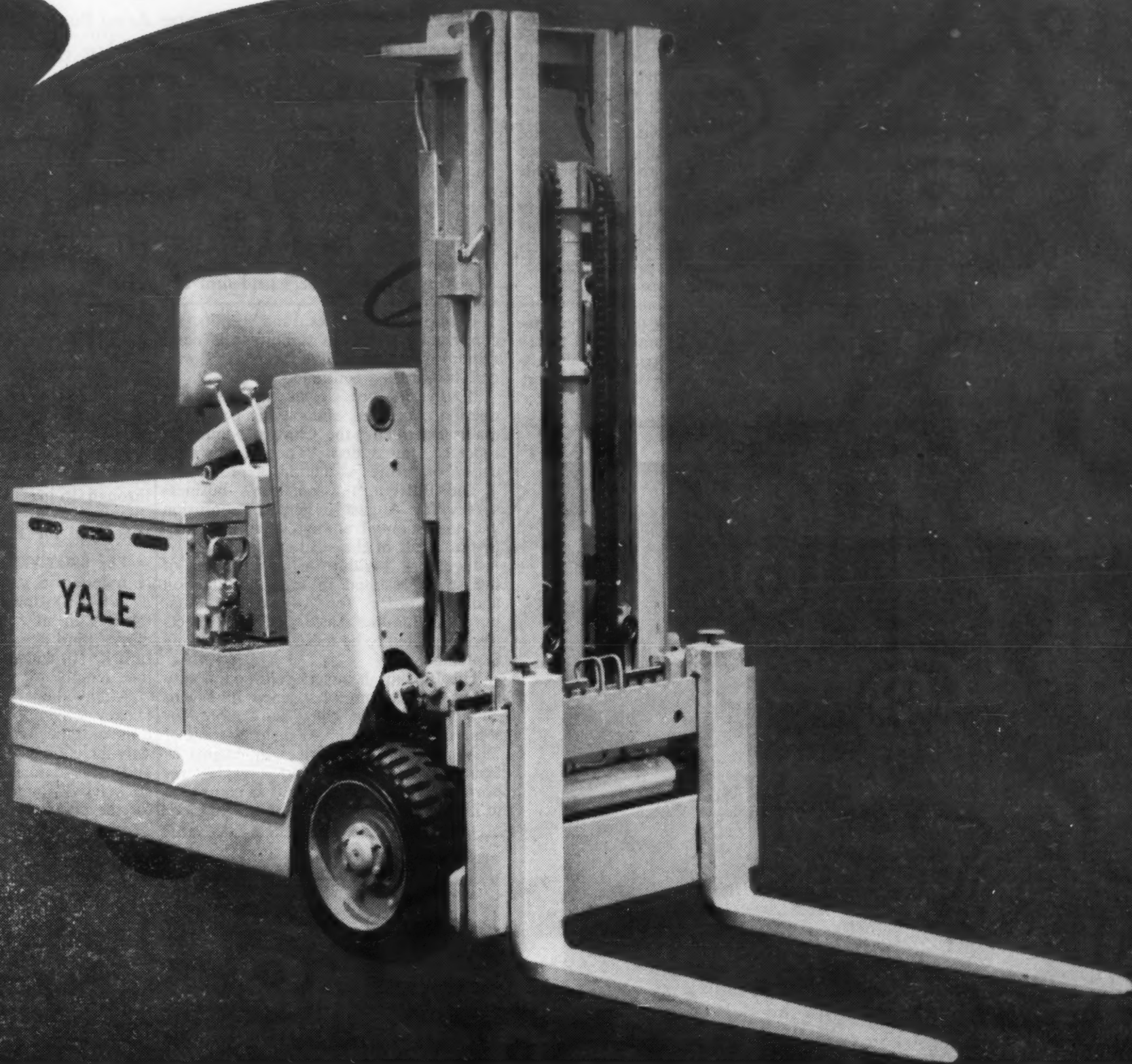
But Price said the Administration is going ahead with plans to ask Congress for broader stockpile disposal authority in legislation that would set up a new national materials reserve inventory from which O.C.D.M. could authorize sales without getting the specific authorization from Congress now required by present law. This proposal will be submitted next session, Price said.

Mining state congressmen will fight the O.C.D.M. plan, opposing it on grounds it does not give adequate protection against softening domestic metal-mineral markets. But most minerals experts in Washington concede that some eventual disposal of strategic but overstocked metals is a near certainty.

This Month's Industrial Wholesale Price Indexes

Item	Latest Month	Month Ago	Year Ago	% Yrly Change
Cotton Broadwoven Goods....	100.3	100.0	94.2	+ 6.5
Manmade Fiber Textiles.....	100.2	100.1	97.4	+ 2.9
Leather	133.0	134.6	103.8	+28.1
Gasoline	97.2	94.1	98.5	- 1.3
Residual Fuel Oils.....	72.6	73.2	78.7	- 7.8
Raw Stock Lubricating Oils.....	98.3	97.5	96.7	+ 1.7
Inorganic Chemicals	102.2	102.5	101.5	+ .7
Organic Chemicals	99.3	99.4	98.4	+ .9
Prepared Paint	103.4	103.4	103.3	+ .1
Tires & Tubes.....	90.2	100.8	102.5	-12.0
Rubber Belts & Belting.....	103.8	103.8	99.3	+ 4.5
Lumber Millwork	107.7	107.0	98.5	+ 9.3
Paperboard	99.8	99.8	99.9	- .1
Paper Boxes & Shipping Containers	101.9	101.9	101.9	0
Paper Office Supplies.....	101.2	101.2	101.2	0
Finished Steel Products.....	109.1	109.1	109.0	+ .1
Foundry & Forge Shop Products	107.8	107.8	104.7	+ 3.0
Non Ferrous Mill Shapes....	93.6	93.8	91.1	+ 2.7
Wire & Cable.....	89.6	89.6	82.6	+ 8.5
Metal Containers	103.7	103.7	105.6	- 1.8
Hand Tools	109.7	109.9	107.5	+ 2.0
Boilers, Tanks & Sheet Metal Products	99.2	99.2	98.2	+ 1.0
Bolts, Nuts, etc.....	104.2	104.9	109.5	- 4.9
Power Driven Hand Tools...	108.2	108.2	103.2	+ 4.8
Small Cutting Tools.....	112.0	107.3	101.3	+10.6
Precision Measuring Tools...	109.1	109.1	106.1	+ 2.8
Pumps & Compressors.....	111.4	111.4	104.5	+ 6.6
Industrial Furnaces & Ovens.....	116.5	116.5	111.3	+ 4.7
Industrial Material Handling Equipment	105.7	111.3	103.1	+ 2.5
Industrial Scales	115.2	115.2	104.8	+ 9.9
Fans & Blowers.....	104.3	104.3	103.2	+ 1.1
Office & Store Machines & Equipment	104.6	104.4	103.2	+ 1.4
Internal Combustion Engines.....	103.5	103.7	103.8	- .2
Integrating & Measuring Instruments	117.4	117.4	110.9	+ 5.9
Motors & Generators.....	103.8	104.1	104.6	- .8
Transformers & Power Regulators	102.1	102.1	101.4	+ .7
Switchgear & Switchboard Equipment	108.8	108.8	105.7	+ 2.9
Are Welding Equipment.....	103.0	103.0	105.0	- 1.9
Incandescent Lamps	130.9	130.9	110.0	+19.0
Motor Trucks	109.0	109.0	105.8	+ 3.0
Commercial Furniture	105.7	105.7	105.5	+ .2
Glass Containers	106.3	106.3	106.3	0
Flat Glass	99.7	99.7	99.7	0
Concrete Products	103.3	103.4	102.2	+ 1.1
Structural Clay Products.....	106.6	106.6	103.3	+ 3.2
Gypsum Products	104.7	104.7	104.7	0
Abrasive Grinding Wheels...	98.7	98.7	100.3	- 1.6
Industrial Valves	116.6	116.6	102.6	+13.6
Industrial Fittings	99.3	98.4	100.8	- 1.5
Anti-Friction Bearings & Components	91.9	91.9	99.2	- 7.4

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Firestone Acquires New Hopewell, Va., Facilities To Produce Its Own Nylon Yarn for Tire Cord

Akron—Nylon made two additional gains in its battle with rayon producers for dominance in the tire market last week.

Firestone became the first rubber company to move into the nylon producing field by acquiring a Hopewell, Va., manufacturing site to produce its own nylon yarn for tire cord.

Another Producer Switches to Nylon

Another tire producer, Mohawk Rubber Co., also announced it has discontinued use of rayon cord in passenger car tire production by full conversion to nylon. Mohawk president H. M. Fawcett said the decision reflected "rising public preference for nylon in the replacement tire market."

Firestone's action makes it the country's fourth nylon producer. Du Pont, developer of the fiber, is the largest, fol-

lowed by Chemstrand Corp. and Allied Chemical. The rubber firm obtained the nylon facilities from Allied and said modernization of the plant area will begin within 60 days with nylon production scheduled to begin late in the summer of 1960.

Rayon companies have been pushing their new fiber, Tyrex, to counteract the advance of nylon as a tire reinforcement fiber.

Du Pont recently led manufacturers of nylon tire cord in a series of price decreases, ranging from 8 to 11%, which virtually eliminated the price spread between nylon and rayon products.

Firestone's decision also was interpreted as a further effort to become self-sufficient as far as its major raw materials are concerned. The company already lays claim to being the world's largest producer of rubber.

Chicago P.A.'s See Product Prices Up If Raw Material Tags Rise in 60 Days

However 48% of the Chicago Area Purchasing Agents Queried Expect Their Firms to Absorb These Raw Materials Increases

Chicago—Chicago area purchasing agents speculated on the effect of future price increases in their most recent association business survey.

Fifty-two percent of the Chicago industrial buyers participating in the August survey said their firms would raise the selling price of their products if "raw material costs were increased by 5% or less during the next 60 days."

In contrast, 48% said they expected their firms would absorb such increases.

In other observations on the current industrial scene, the Business Survey Committee of the Purchasing Agents Association of Chicago reported that the August backlog of orders held firm and steady.

Employment, prices, and production continued to indicate stability, the committee said, but deliveries were slower and inventories continued to shrink.

"Deliveries are slower, inventory reduction continues, and buying policy remains extended," the Chicago committee reported, but added: "There is an indication of further reduction in profits."

The Pittsburgh association's business survey for August indicated "confusion and uncertainty" among its members as to the result of the steel strike.

Inventory buildup in anticipation of the strike resulted in lower production and new orders for August, the Pittsburgh committee said, and the effects were expected to be felt even more during September.

The Pittsburgh buyers said commodity prices shifted somewhat since June with 17% noting that they paid more for some commodities in August. A total of 79% paid the same prices in August as against 94% in June, and only 4% reported paying less in August as compared to no increases mentioned in June period.

Dickey Clay to Double Its Annual Production

Company Plans Production Push Of Extra-Strength Sizes of Pipe

St. Louis, Mo.—Expansion now under way at W. S. Dickey Clay Mfg. Co.'s plant here will double current annual production so as to allow manufacture of a complete line of vitrified clay pipes and fittings in sizes ranging from 4 through 36 in.

Scheduled for 1960

The \$800,000 program, scheduled for completion in 1960, calls for addition of a 470-ft. Swindell-Dressler straight-line tunnel kiln, new horizontal extrusion machines, and new equipment to manufacture 8, 10, and 12-in. clay pipes in five-foot lengths.

After the program is completed, Dickey, which now produces some 30,000 tons of pipe annually, will manufacture only the extra-strength 10 and 12-in. pipe, and drop standard-strength lines on these sizes it was announced by a spokesman for the company.



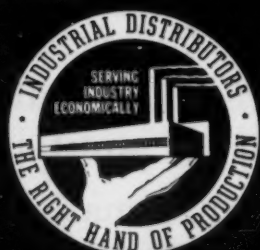
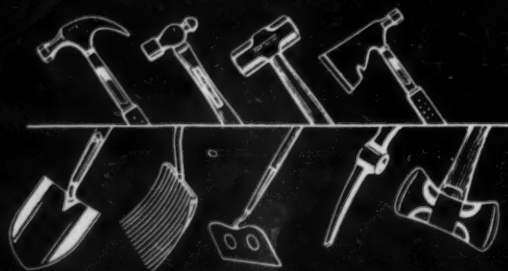
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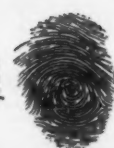
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New York Goes Back to Old Policy On Purchasing of Automobile Tires

Exhumed Rule Reads: Only 'Original Equipment' Dealers Can Make Bids on State Tire Purchases

Albany, N. Y.—State Purchase Commissioner Douglass C. Coupe has reverted to policy of buying tires from "manufacturers only" in order to take advantage of wider distribution facilities offered by manufacturers' agents.

Under this so-called "original equipment" rule, contracts can only go to firms dealing in original equipment tires.

The ruling, which had been a rigid part of New York State's tire-buying policy until about four years ago, was reinstated as part of specifications for this year's open-end tire contract, up for bid-letting this month.

In addition to guarantees of factory testing, purchase from the manufacturer offers the advantage of widespread, uniform distribution by means of licensed dealer-agencies in almost every part of the state, according to Purchase Department spokesmen.

Complaints from Last Year

The ruling resulted from an inquiry into complaints that the state had violated its long-standing "original equipment" code by awarding last year's contract to Kelly-Springfield.

Pointing out that Kelly-Springfield tires are not part of any automobile's "original equipment," Dunlop Tire Company, of Utica, sought to bid for this year's contract.

The new policy, which rules out both firms, is as follows:

"Bids will be considered only from manufacturers who are engaged in large-scale production of tires and tubes.

"Bidder must be a manufacturer of original-equipment tires being regularly purchased (as standard factory equipment) by manufacturers of equipment requiring the types of tires and tubes listed in the proposal. Bidder must qualify under each individual group."

County P.A. Gets Way, Uses Petty Cash to Pay

Seattle—The King County Board of Commissioners has authorized County Purchasing Agent Joe Lobberegt to pay for small purchases from the petty cash fund, rather than with requisitions and vouchers.

Lobberegt requested the authority after conducting a test in July on the cost of buying small items for the county through the regular purchasing channels. He found it cost the county \$1,584 for \$1,367 worth of small miscellaneous items.

"In other words," he told the commissioners, "it cost the county approximately \$6 to buy \$5 worth of merchandise. "The \$6 represents the cost of the paper work in processing requisitions and vouchers for each small purchase.

Local Boys Get None

Sacramento, Calif.—Gov. Edmund G. Brown has pocket-vetted a bill that would have permitted cities, under certain circumstances, to give preference to local merchants in the purchase of materials and supplies. Brown said the bill would conflict with the state-wide procurement principle of awarding such contracts to the lowest responsible competitive bidder.

Texas Wins New Round Against Chlorine Sellers

Austin, Tex.—Texas won another round in its battle against price-fixing with a \$75,000 settlement against six chemical companies charged with collusion in the sale of liquid chlorine to Lone Star communities.

The anti-trust suit contended the defendants had fixed identical prices in submitting bids to Texas municipalities, which use liquid chlorine for treatment of drinking water.

"This completes the second case in our effort to protect against collusive practices," said state Atty. Gen. Will Wilson.

"The European cartel-type economy is foreign to us," he continued, and, for that reason, I regard the maintenance of a competitive free-enterprise economy through enforcement as one of the most important functions of this office."

The defendants in the suit were Diamond Alkali Co., Frontier Chemical Co., Thompson-Hayward Chemical Co., all of Dallas; Dixie Chemical Co., Houston; Schwartz Co., Inc., El Paso; and Schwartz, Inc., Corpus Christi.

The six companies allegedly

handle about 90% of retail sales of liquid chlorine in the state of Texas.

The first anti-trust case involving bidding practices was in Houston on the sale of oyster shell.

One More Job for P.A.

Raleigh, N. C.—William R. Henderson, State Purchasing Officer for North Carolina, has been appointed Administrator, Commerce and Industry Division of the Department of Conservation and Development.



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I.C.C. Gives Okay to Express Rates

Washington—Discount rates of up to 44.8% on selected Railway Express Agency shipments were approved last week by the Interstate Commerce Commission.

As a result of the new rates, which became effective Sept. 8, shippers can consolidate first-class shipments destined for as many as 10 different end-points to accumulate a 300-lb. minimum-freight package and gain a 37.1% discount.

Additional reductions of 41 and 44.8% are available for shipments of more than 1,500 lb. and 2,500 lb., respectively.

Items to which the new rates apply include abrasives, tape, athletic, gymnastic and sporting goods, farm implements and parts, greeting cards, rugs and carpets, tufted textile products, typewriters, and parts. Additional commodities are being studied with a view to broadening the list.

The I.C.C. ruling came on the heels of a contract-signing between Railway Express and 34 U. S. and Canadian

scheduled airlines designed to improve handling of Air Express.

The new contract calls for a "partner-ship-type" working agreement and covers all phases of Air Express operations from sharing of revenues to day-to-day details of scheduling express shipments.

T.W.A. Will Quadruple Its International Cargo Space

New York—Trans World Airlines will quadruple its present international cargo capacity and increase domestic cargo capacity eight times Oct. 1, with acquisition of six 1049H Model Lockheed Constellations, according to Charles S. Thomas, president.

The planes, acquired from Military Air Transport Service will permit T.W.A. to schedule six daily all-cargo domestic flights between 10 cities from San Francisco and Los Angeles to New York, and four weekly New York-to-Rome trips.

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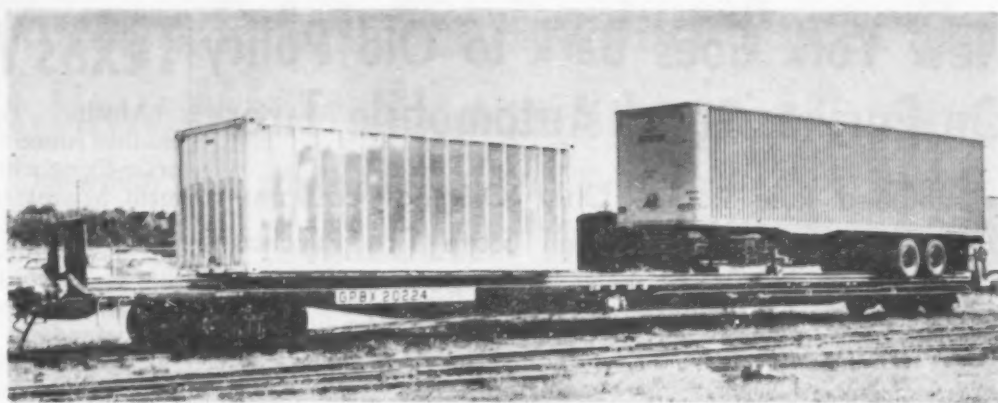
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THE LATEST INNOVATION in piggyback equipment is new flatcar developed by the General American Transportation Corp. Hauls container and trailer at same time.

Now—A New Piggyback System

Chicago—General American Transportation Corp. has developed a unique piggyback flatcar that it predicts will provide faster, more efficient shipment of highway hauling equipment in the very near future.

The new G-85 car eliminates the use of special equipment for loading, unloading, or tie-down in the hauling of trailers and containers on piggyback cars, according to William J. Stebler, president of General American.

"The future of transportation lies in unitized transport, tying together highway and rail shipping for fast, economical, door-to-door transport," he remarked. "The G-85 car is the backbone of unitized loads because it can take any type of

trailer and containers without modifications."

The new flatcar will carry all types of highway equipment, including standard semi-trailers, semi-trailers with automatic landing gear, containers, tank containers, auto carriers, and moving vans.

Stebler said it can handle containers of any length without special terminal facilities such as cranes. Containers can be carried along or on their chassis. Trailers and containers on the new car are cushioned by shock absorbers which reduce the impact on lading up to 75%.

The car contains a specially designed kingpin hitch which secures the trailers. Containers are tied down by hooks to the flatcars.

New York Central Files New Rate Pact With I.C.C., Thinks Approval Likely

(Continued from page 1)

peting industry sources in support of the rate.

Mohasco Industries, Inc. of Amsterdam, thus far the sole shipper involved in the rate, and the Traffic Committee of the American Carpet Institute, commented in the affidavit that the tariff was "a harbinger of good news" for the carpeting industry.

The tariff calls for a rate of \$1.55 cwt to apply on a minimum weight of 30,000 lb., and a rate of \$1.25 cwt on weight in excess of 30,000 lb.

Must Move 80% by Rail

The contract provides that for one year, the shipper agrees to move 80% of its traffic from Amsterdam to Chicago via the railroads participating in the tariff—which include, besides the Central, the Baltimore & Ohio and the Belt Railway Co. of Chicago.

It further calls for the shipper to furnish an indemnity bond to the carriers providing for payment of the higher non-contract charge effective in the event of a default by the shipper.

The shipper also must permit carriers to inspect pertinent shipping data and to

furnish an affidavit setting forth complete tonnage shipped by all forms of transportation to the Eastern Weighing and Inspection Bureau at the close of the contract period.

Restrictions on Carriers

In return for these provisions, the carriers agree that they will not voluntarily increase the contract rates and also, that the contract may be canceled by the shipper if the rails fail to deliver 70% of the traffic on or before the sixth morning after receipt of the traffic at the shipping point.

A Central spokesman pointed out that, 10 years ago 80% of the rugs and carpeting shipped between Amsterdam and Chicago went by rail. Today, 80% goes by truck. He admitted the contract rate tariff was part of a determined effort to woo this freight traffic back to the hard-pressed rails.

"Since the I.C.C. has not allowed such contract rates before," he remarked, "we expect protests from other forms of transportation. However, since the Eastern carriers feel the rate has been completely justified, they expect the commission will give its approval."

Railroad Gets 100 New Freight Cars

Augusta, Ga.—The Georgia & Florida Railroad has received the first order of freight cars to be delivered to a railroad under a guaranteed loan provided by the Transportation Act of 1958.

The order was for 100 Pullman-Standard box cars. The guaranteed loan of \$934,960 to the railroad for purchase of the equipment was approved by the Interstate Commerce Commission in June of this year.

Under the Transportation Act, the I.C.C. can guarantee up to \$500 million in loans to railroads for maintenance and capital improvements. The railroads, however, must be able to show that they cannot obtain loans on reasonable interest terms without a federal guarantee to back them up.

New 'Fishyback' Trailer Service Plies Great Lakes Water Route

Cleveland—Detroit Atlantic Navigation Corp. is launching "fishyback" trailer service between Duluth-Superior and Cleveland, via Detroit. A fourth port-of-call, Buffalo, will be added next year.

Two bulk freighters will be used in this effort to revive the once thriving Great Lakes package trade, which was suspended at the start of World War II.

First of these ships to go into service—the W. Wayne Hancock—holds 35 20-ton capacity aluminum and steel trailers. These are carried on special chassis from land pick-up areas to dockside, then loaded on board with cranes.

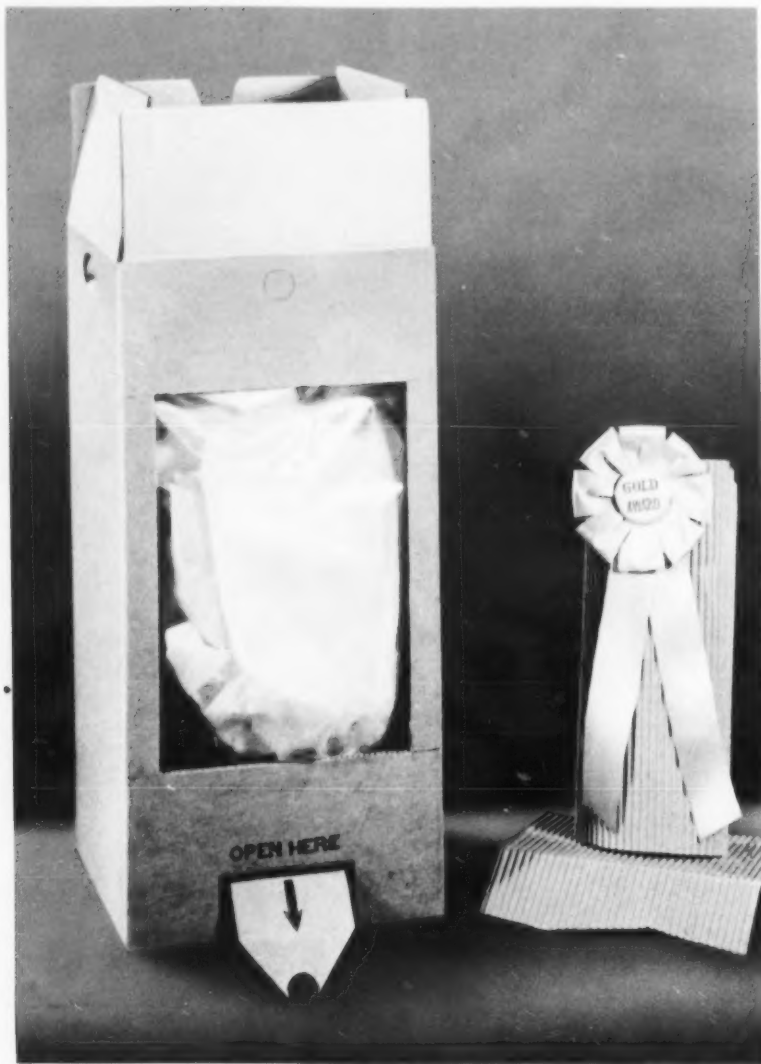


Presenting the 10
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by the Container Division
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Exhibited at the Fifth Annual Competition of
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International Paper wins 10 new or improved

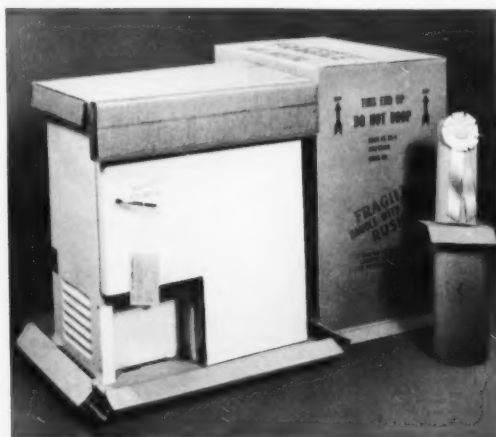


GOLD AWARD Five-gallon container with plastic interliner for milk or bulk fluid products: National Dairy Products, Chicago.



GOLD AWARD Electric clock container with die-cut inner packing to "float" the large glass face: Haddon Clocks of Chicago.

These are the ten award-winning designs by International Paper, exhibited this year at the Fifth Annual Competition of the Fibre Box Association.



SILVER AWARD Corrugated container for home milk dispensers. Special platform bottom ends need for wooden skids: Norris Dispensers Inc., Minneapolis.



SILVER AWARD Shipping container for outboards with inner stand made of preassembled die-cut sheets: Kiekhaefer Corporation, Fond du Lac, Wisconsin.



SILVER AWARD Canned beer container for use in automatic, high-speed, end-loading can machines. With pull-tab opener: Miller Brewing Co., Milwaukee.

national awards for creating uses for corrugated

Container Division receives two Gold Awards, three Silver Awards, and five Bronze Awards for 1958's best-designed corrugated containers in nationwide competition.

THE NATION'S LEADING packaging and merchandising authorities did the choosing. And at the recent nationwide Fibre Box Competition, they handed the Container Division of International Paper *ten major awards*.

We're proud but not surprised. The same design and manufacturing experts who won this extraordinary recognition are busy creating new and ingenious shipping containers for our customers every day.

As a result, our customers have come to expect the unexpected, almost as a matter of course. They'll tell you that in every International Paper container you get these 7 *extra values*:

1. **First-class engineering**—truly crea-

tive packaging by the same team that originated the tube-and-cap design, now standard in the industry, the corrugated nail container, and others.

2. **Time-proved box-making skill**, acquired in making hundreds of millions of corrugated shipping containers every year.

3. **Built-in savings**. Our container specialists know how to select the right materials for greatest strength with least weight, the best design to save material and pack easily. Result: you save on packaging labor, shipping costs, and damage claims.

4. **Convenient delivery**. We deliver on time from 19 different box plants.

5. **Virgin fibre for greatest strength**,

smooth surface, uniform color. These containers are made from America's top-quality liner, Gator Hide® kraft, and famous Chemfibre® corrugating medium.

6. **Fair prices**. Our container prices are based on fair market value consistent with the top-quality materials.

7. **A dependable source of supply**. These are the only containers backed by the full resources of International Paper: timberlands, research labs, board mills, design service, quality control—total resources unmatched by any other container supplier.

Your Container Division packaging expert is as near as your phone. See map on back for number.

Container Division **INTERNATIONAL PAPER** New York 17, N. Y.



BRONZE AWARD Printing-paper container with polyethylene inner lining in place of asphalt laminates: S. D. Warren Company, Westbrook, Maine.



BRONZE AWARD Combination corrugated and wooden shipping container for avocados. Weight-saving and efficient: Calavo Growers of California.



BRONZE AWARD Corrugated fibre-board-and-plywood combination building partition. Low in cost, light in weight, strong, ideal for all internal construction.



BRONZE AWARD Do-it-yourself mortar box made of water-resistant fibre board. Re-usable or disposable. Long Bell Division, International Paper Co. and others.



BRONZE AWARD Bonding-mortar container with polyethylene bag liner. Cuts costs, gives 70 per cent more storage space: A. P. Green Fire Brick Co., Mexico, Mo.



These 19 box plants of International Paper assure you quick, convenient on time delivery

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Clyde & Warwick Streets
PRospect 6-1900 | ⑮ Houston, Texas
6028 Navigation Blvd.
WAlnut 3-9156 |
| ② Fresno 26, California*
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7447 No. Blackstone Ave.
BAldwin 2-5281 | ⑥ Kansas City 19, Kansas
2100 Kansas Ave.
Packers Station,
Box 708
FAirfax 1-2500 | ⑨ Wooster, Ohio
689 Palmer Street
ANgelus 3-5040 | ⑬ Whippany, New Jersey
TUcker 7-4000 | ⑰ Springhill, Louisiana
Box 881
LEhigh 9-2543 |
| ③ Los Angeles 54, California
6150 Sheila Street
RAymond 3-4853 | ⑦ St. Louis 11, Missouri
7901 Michigan Avenue
FLanders 3-3322 | ⑩ Geneva, New York
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GEneva 9-3946 | ⑭ Philadelphia (Aldan), Pa.*
Oak Lane & Providence Rd.
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GEorgetown 3-3711 |
| ④ Fond du Lac, Wisconsin
WAlnut 1-9600 | | ⑪ Manchester, New Hampshire
Hall & Hayward Streets
NAtional 3-8825 | ⑯ Edinburg, Texas
DUDley 3-1651 | ⑲ Auburndale, Florida
WOOdlawn 7-1181 |



STEEL: As the Longest Strike in the Industry's History Goes into 11th Week, Intervention Seems Certain

Washington—The record of history weighed against the steel industry and the United Steelworkers settling their longest and bitterest post-World War II strike without federal government intervention.

Federal intervention in the past has come in various forms—Presidential fact-finding boards, direct “seizure” of the mills (promptly declared unconstitutional), and strong White House pressure. But never was the Taft-Hartley Law invoked in the five previous industry-wide steel strikes since 1946.

Only the 12-hour shutdown in 1955, shortest of the industry's post-war production crises, ended with a settlement engineered entirely by the weary negotiators themselves. All the others—1946, 1949, 1952, and 1956—required direct intervention from the White House or a strong push from that direction to forge a strike-ending agreement.

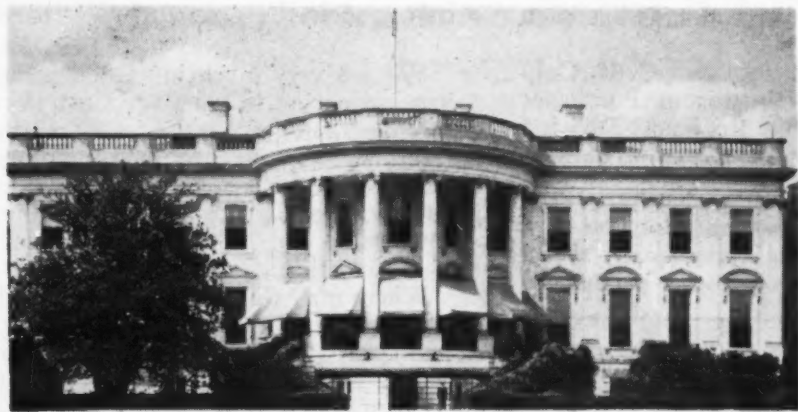
The Taft-Hartley Law, which stemmed in part from the 1946

that would provoke a new round of inflationary pressures on the economy.

Although the White House has plenty of precedent for other forms of intervention, the fact remains that except for the services of the Federal Mediation and Conciliation Service (a form of government participation not strictly considered as intervention), the Taft-Hartley Law remains the only formal legislative remedy on the books.

Pressure for at least some form of White House intervention increased as the walkout moved into its 10th week:

• Several Republican senators



steel crisis, has been used more than a dozen times in other strike-disrupted industries. But President Truman ignored it (preferring the even more controversial device of “seizure” in 1952), and President Eisenhower also shied away from it in the case of steel.

In the current strike situation, both sides have argued against the use of Taft-Hartley, contending its use would settle absolutely nothing.

And because to invoke the law requires declaration of a national emergency, the White House has been insisting on conclusive proof that such an emergency exists.

In the meantime, however, President Eisenhower has been a dominant, although unseen, figure at the management-union bargaining table throughout the current negotiations. His presence was a definite factor even before the walkout began through his oft-repeated exhortations to both sides that any settlement “must” not force higher prices

urged appointment of a fact-finding board to recommend a basis of settlement.

• AFL-CIO President George Meany also called for action by an “impartial board” whose recommendations would bring public opinion to bear on the situation.

• A group of 35 Democratic senators, headed by Missouri's Stuart Symington, called for a form of “knock-their-heads-together” White House session of strike negotiators, to be followed by fact-finding board action and recommendations if such a meeting failed.

• Various governors of various steel-producing states also urged the President to lay down the law at a White House meeting of union-management negotiators in the steel strike.

But if any or all of these recommended solutions were to fail, and Taft-Hartley were to be

(Continued on page 25)

STEEL STRIKE SETTLEMENTS . . . HOW THE WHITE HOUSE ARRANGED THEM.

WHITE HOUSE ACTION	STRIKE DETAILS	SETTLEMENT	PRICE EFFECT
1946—Fact-finders and direct Presidential intervention.	Walkout began Jan. 21, 1946 and lasted 28 days after companies rejected Truman proposal for 18½¢/hr. wage increase based on a Presidential three-man fact-finding board report.	Operations resumed on basis of 18½¢ wage proposal only after President authorized Wage Stabilization Board to relax wage-price controls to allow price increase.	\$5/ton increase.
1949—Presidential fact-finding Board	Six-week strike began Oct. 1, 1949 after companies balked at union demands for pensions and insurance benefits.	Presidential fact-finders recommended company-financed pension and insurance plans. Industry, led by Bethlehem Steel Corp., finally worked out a compromise on the basis of the board recommendations and other companies quickly followed suit.	No immediate change.
1952 — Seizure of industry and a “settle or else” ultimatum	Union called more than half-million workers out on what eventually amounted to a 54-day strike after Supreme Court, on June 2, ruled Truman seizure of mills illegal despite Korean War emergency.	President eventually called leaders of both sides to White House and negotiators agreed to a settlement along lines previously suggested by Wage Stabilization Board. Industry got price increases and union wage hikes and modified union shop.	\$5/ton increase.
1955 — None needed	Half million steelworkers were on strike for only about 12 hours while U.S.W. President McDonald and John A. Stephens, chief negotiator for the industry, polished details.	Wage increases averaging about 15¢/hr.	\$7.35/ton increase
1956 — Official “hands off” policy but White House lieutenants and Cabinet officials prodded negotiators to settle.	Some 500,000 steelworkers walked out July 1, 1956 over demands featuring wage increases and supplementary unemployment benefits.	Efforts of Labor Secretary Mitchell and Treasury Secretary Humphrey were credited with major role in industry agreement to a three-year pact featuring annual wage increases, supplementary unemployment pay, semi-annual cost-of-living increases.	Increases since 1956 total \$21/ton.



Steel negotiator Cooper and U.S.W. chief McDonald may soon shake hands.



Don't Ignore Reciprocity

JUST the mention of "reciprocity" brings a variety of reactions among purchasing men. Some say it is a word and practice to be avoided. Others look upon it as a necessary evil. And still others think of it as a way of life.

No matter how we look at it, though, reciprocity is a double edged practice. This is brought out in Webster's definitions that includes this:

"Reciprocity: an interchange, return in kind, etc."

This interchange or "return in kind" generally is thought of as the placing of orders with a supplier who buys from your firm. Many purchasing men, of course, do operate on the basis that when all other considerations are equal, orders should be placed with a customer.

There is another angle, though. And, unfortunately, it is one that sometimes is overlooked. When a purchasing department creates ill will with a sales department this, too, can be returned in kind. There are numerous cases of this on record; one such involves a multi-division corporation.

The corporate image created by the purchasing department of the corporation has cost the firm thousands of dollars worth of business from another nationally known corporation. It started a few years ago when Company A's salesmen called on Company B's purchasing department. The salesmen complained that they were getting the "run-around", that buyers were not dealing fairly with them. Company A's top management men took the case to the corporate purchasing level of Company B and it was here the damage was done. The purchasing director and his top assistants brushed off the complaint as unimportant.

Here is what has happened since:

Company A refuses to purchase any equipment that is manufactured by Company B or contains any of Company B's components.

Company A built a new plant and ruled out the use of any of Company B's equipment.

Company A's officials refuse to render any technical assistance to Company B without specific order for business.

The merits of Company A's steadfast position might be argued but results are the important thing. Buyers who decline to act in a fair and equitable fashion can very well do their firm a disservice, one that will last for years.

No salesman or sales organization expects to get every order from every purchasing department. Salesmen do want and do appreciate courteous treatment even though they may not get an order. In many instances they are purveyors of "news" to other industries and as such their evaluation of your operation might put your corporate image into focus.

This too is reciprocity as work—a "return in kind."

If you are casting about for a way to aid the sales department of your own firm, you'll be interested in this suggestion from a purchasing agent:

"Get your sales manager to put you on his next sales meeting program. Have a salesman try to sell you on your own company's products. It'll be the hit of the sales meeting."

Your Follow-Up File

The Trouble with V-Belts

Maysville, Ky.

You make the statement in your article "New V-Belts Are 40% Stronger, Cost No More," (P.W., July 20, '59, p. 20) that "Because the life of the belt depends just as much on the diameter of the sheaves as it does on the tensile strength of the belt, the new drives with the small sheaves can be expected to last longer."

Rapid flexure over small diameter sheaves is one of the most destructive agents in a drive, and your statement would seem to be entirely contrary.

C. N. Brubaker
Vice President
Browning Mfg. Co.

● Your point is valid. We failed to say that the smaller the diameter of a sheave, the shorter the life of a drive. But now the new drives can be expected to last longer with new small sheaves. Our apologies for confusion caused by misemphasis.

Question on Box Price

Rittman, Ohio

We have noticed that in your commodity price list you have been showing under paper, old corrugated boxes on the Chicago market at \$21 dealer's price.

We assume this to be dealers' selling price f.o.b. their plant. As we purchase large amounts of this material, both in the Cleveland and Chicago market, we question this. The price the last several months has been \$23 per ton.

C. R. Culp
Director of Purchases
Ohio Boxboard Division
Packaging Corp. of America

● Our old corrugated box price is not a dealer's selling price, but a dealer's buying price—e.f., the price the dealer pays the purchas-

ing agent who sells the boxes to him. The \$21 represents an f.o.b. buying price, sellers' plant in Chicago.

What "Purchase" Means

Norwich, N. Y.

Perhaps some of your readers would be interested to know the derivation of the word "purchase."

Wedgwood in his Dictionary of English Etymology (1872) has this to say: "Purchase—from the French 'purchasser,' eagerly to pursue or chase after."

To the purchasing agent who has learned the hard way that nothing comes to him who waits, the verb seems most aptly chosen.

Lynn Harrington
Purchasing Agent
Norwich Pharmacal Co.

\$7,500 Saved on 350 Cars

Bloomfield, N. J.

I have just finished reading "North Carolina Installs a New Buying System" (P.W., Aug. 17, '59, p. 1).

This is an interesting article but I am puzzled by one claim: "On the 250 cars bought since April, Henderson (State P.A.) expects to save over \$75,500 through increased tire mileage."

How was this saving computed?

Ordine Ferris
Director of Purchasing
Schering Corp.

● This is incorrect. It should have been a \$7,500 savings on 350 cars.

Interest in "Perspective" Item

Erie, Pa.

We are very much interested in an item appearing in your "Product Perspective" column, Sept. 7 issue (p. 19) regarding a report by L'Aluminium Francais on the use of 60% aluminum powder mixed with plastic molding powders to boost the impact strength of the plastic material.

Where may we obtain more detailed information on this?

Charles G. Wingerter
Purchasing Agent
Nosco Plastics, Inc.

● Write to M. Lamouredieu, L'Aluminium Francais, 23 Rue Balzac, Paris, France.

More Reprints Requested

Chicago, Ill.

Please send us copies of:

"Purchasing Manuals Have Many Values" (Part I, March 9; Part II, March 16; and Part III, March 23, '59);

"Transportation" (Part I, Trucking, July 28; Part II, Railroads, Aug. 4; and Part III, Air Freight, Aug. 11, '58).

Francis Klingenstein
Director of Purchases
Chicago Molded Products Corp.

To Our Readers

This is your column. Write on any subject you think will interest purchasing executives. While your letters should be signed, if you prefer we'll publish them anonymously.

Send your letters to: "Your Follow-Up File," PURCHASING WEEK, 330 West 42nd St., New York 36, N. Y.

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PURCHASING WEEK Asks You . . .

How do you handle repeated unnecessary requests for rush shipments and still maintain good interdepartmental relations?



Henry Tincher, purchasing agent, Schenley Distillers, Inc., Frankfort, Ky.:

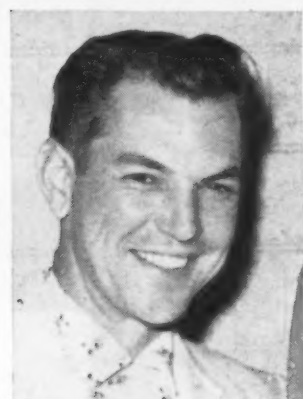
"Our purchasing is strictly maintenance and operating; therefore, we have numerous requests to expedite the purchase or delivery of repair parts. The purchasing, engineering, and materials handling are so closely related that we are in a position to hold to a minimum or almost eliminate unnecessary rush shipment requests for run of the mill supplies. We credit this to the close cooperation of departments and the fact we keep a perpetual inventory

record on practically all maintenance and operating supplies. Also the extensive use of the blank order system helps us to procure materials almost daily."



M. D. Jones, purchasing agent, Dunham-Bush, Mashalltown, Iowa:

"Basically, it is a matter of communication and understanding between purchasing and other departments. We have been able to hold such requests to a minimum by making other departments aware of the problems presented when we are faced with repeated rush delivery situations. Being aware of these problems, the various departments should, and do, cooperate to the best of their abilities."



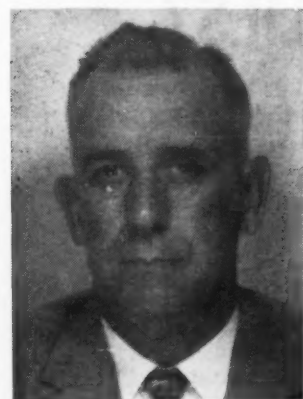
J. E. Trompke, purchasing agent, Vernon Tool Co. of Arizona, Phoenix:

"I try to give each employee who is authorized to request material equal service. It is absolutely necessary that you don't show any favoritism. This alone will create good interdepartmental relations. When I get repeated unnecessary requests for rush shipments from any one department, I talk to the individual involved, asking for more time and cooperation, promising fast service when it's really needed."



R. M. Blackburn, purchasing agent, Herman Nelson Division, American Air Filter Co., Inc., Moline, Ill.:

"When a request seems unnecessary because we have no prior knowledge of the conditions, we immediately check with the head of the requisitioning department. Some of these requests are then reclassified to routine purchase and expedition activity. On the remainder, we then have the facts to determine the degree of effort and added expense to be expended. The department head thus knows what we are doing and is satisfied with the delivery date obtained."



V. R. Salmons, purchasing agent, Maurer-Neuer Meat Packers, Kansas City:

"The communication line running through sales, engineering, production, and the warehouse to purchasing must be in good working order. A breakdown at any point can result in unnecessary requests for rush shipments. Place it on a personal basis. Make an effort to understand and sympathize with the other fellow's problem. The good will created usually will result in the proper handling of this and other problems."

Next Week—Sept. 28

Six purchasing men answer this question:

Is it fair to give a supplier a second chance to quote a lower price after he learns he's too high?

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A P.W. Profile

Jumping Swedish Purchasing Agent Dahl Trains to Leap 7 Feet High

Swedish high-jumper, Richard Dahl, escapes from his purchasing duties at Scania-Vabis, truck and bus manufacturing plant in Sidertalje, Sweden, through his interest in the sports world.

Dahl's greatest sports accomplishment to date is the fact that in 1958 his spectacular leap of 6 ft. 11½ in. won him the European Championship in high jumping. The event was held in Stockholm, just a bit north of his home town. He now is preparing for the European Champion contests to be held in Rome next year.

At the age of 15 Dahl won the first high-jump competition he ever entered. This victory at the Landskrona High School so delighted him that he immediately shelved his football shoes for competition in his new-found sports interest. Until this triumph, football absorbed all his enthusiasm and attention.

Dahl racked up many victories for his school and received personal acclaim by winning district championships in his own country. He completed his

education with courses in English, which have been an asset to him in his travels abroad. "It was particularly advantageous during my visit to the U. S. last winter," he says.

With the aid of Scania-Vabis his home town is preparing its largest undertaking. Rodertalje is building an indoor training hall. It is here Dahl expects to put in many hard training hours all through the winter to prepare for the Olympic games in Rome. The flooring in the hall matches exactly the course of outdoor sports places, so change-over from indoor to outdoor running and jumping will not cause him any problems. General conditioning and weight-lifting practice form another part of his training.

Dahl claims that only through the close cooperation of the management department and the purchasing department does he have the time to practice and participate in national and international competitions. He trains every afternoon all the year round except on Saturdays during the match season; then he splits his



JUMPING SPORTSMAN Richard Dahl practices his form every day with cooperation from his firm, Scania-Vabis Truck and Bus Co.

vacation between 10 and 12 days of rest and a few days for trips to athletic events.

"Besides my firm I thank my understanding wife who cheers me on at every meet," says Dahl. "Considering how rough

it is on her and remembering all the sacrifices made for me I feel I must make good."

His country's sports experts believe he is their leading light for Swedish participation in the 1960 European Athletic events.

This Changing Purchasing Profession...

Mrs. Jean Horvath has been promoted to purchasing agent, Whitman & Barnes, Division of United Greenfield Corp., Plymouth Mich., succeeding the late Robert G. Matley.



Jean Horvath



J. G. Chorlton

J. G. Chorlton has resigned as purchasing agent, St. Regis Paper Co., New York, to join Champion Paper & Fibre Co., Hamilton, Ohio, as assistant to the director of purchases.

Thomas G. Paterson, Jr., purchasing agent, Gates Rubber Co., Denver, has been advanced to director of purchases and traffic. A former district vice president of the N.A.P.A., he will now oversee three departments: traffic, print shop and purchasing.



T. G. Paterson, Jr.



Ernest R. Blomquist has joined Pyle-National Co., Chicago, as purchasing agent. He had been purchasing agent for the Benjamin Electrical Mfg. Co., Des Plaines, Ill.

Managers of three buying divisions have been appointed in the purchasing department, Abbott Laboratories, North Chicago, Ill. Jack Bell has been pro-

moted to manager, equipment and supplies purchases; Eugene F. Swanson becomes manager, chemical purchases, and Daniel L. Yocom has been made manager, packaging materials purchases.

Harold L. Payne, buyer, has been advanced to assistant manager of purchasing, AirResearch Mfg. Division, the Garrett Corp., Phoenix.

Ray M. Taylor has been made manager of purchases, Southern California Edison Co., Los Angeles.

Walther H. Kussmaul, formerly vice president of division operations, has been named vice president of purchasing and stores for Northern Indiana Public Service Co., Hammond, Ind.

E. M. Scheffler has been advanced from purchasing agent to director of purchases for the Jackson and Canadian plants of the Macklin Co., Jackson, Mich.



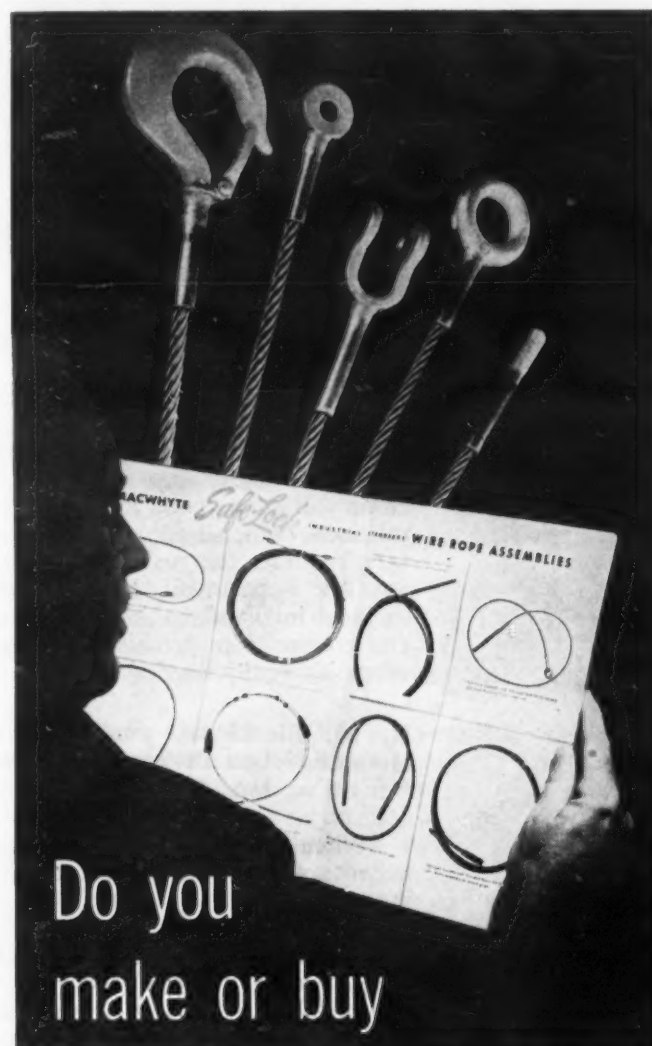
E. M. Scheffler



K. R. Peterson

Kenneth R. Peterson has been appointed assistant director of purchasing, Fruehauf Trailer Co., Detroit. He had previously served as administrative assistant to the firm's board chairman.

Fred H. Hetzler has been appointed assistant purchasing agent, the Fafnir Bearing Co., New Britain, Conn. He is chairman of the N.A.P.A.'s Committee on Continuing Education for Professional Development.



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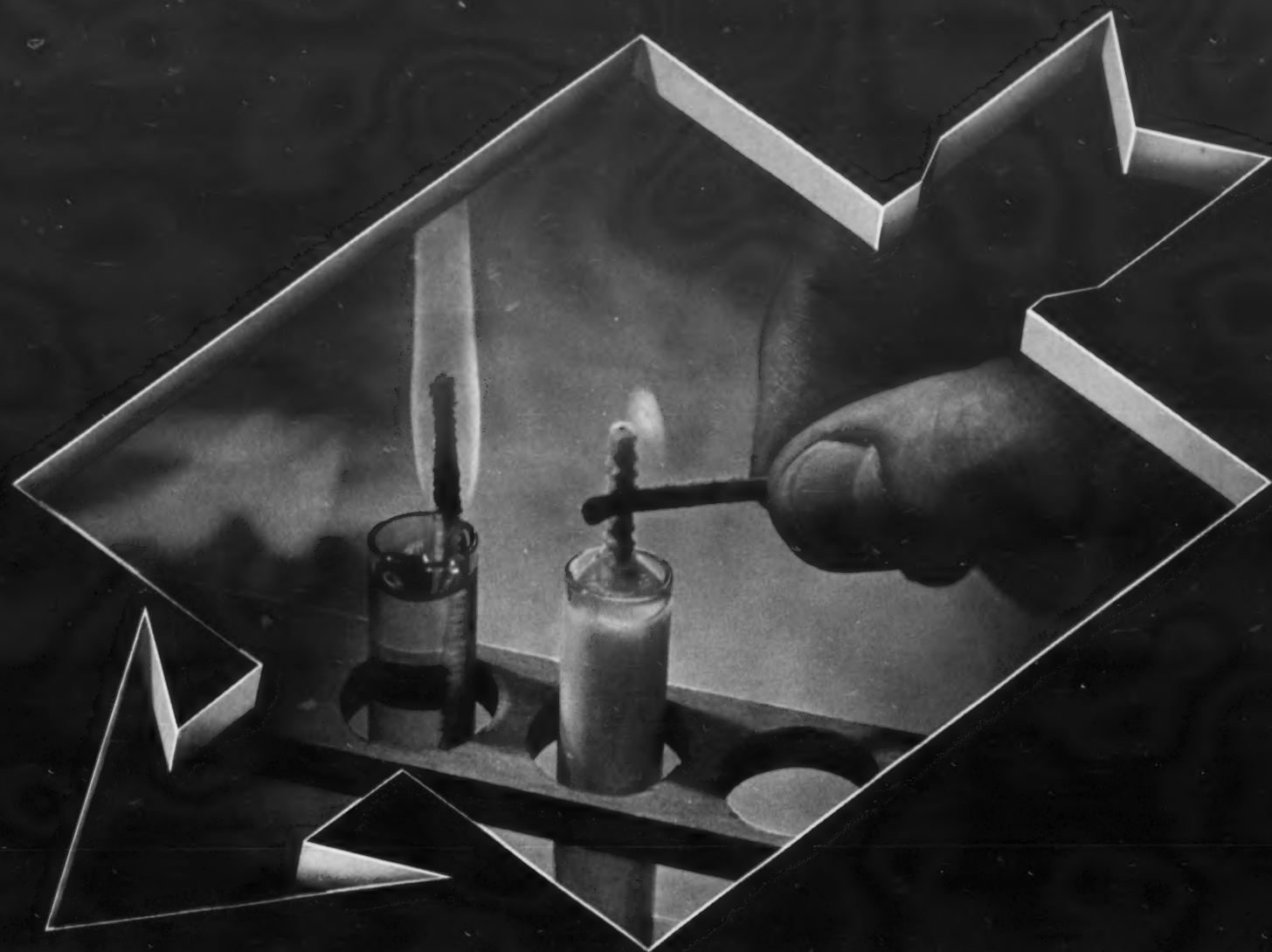
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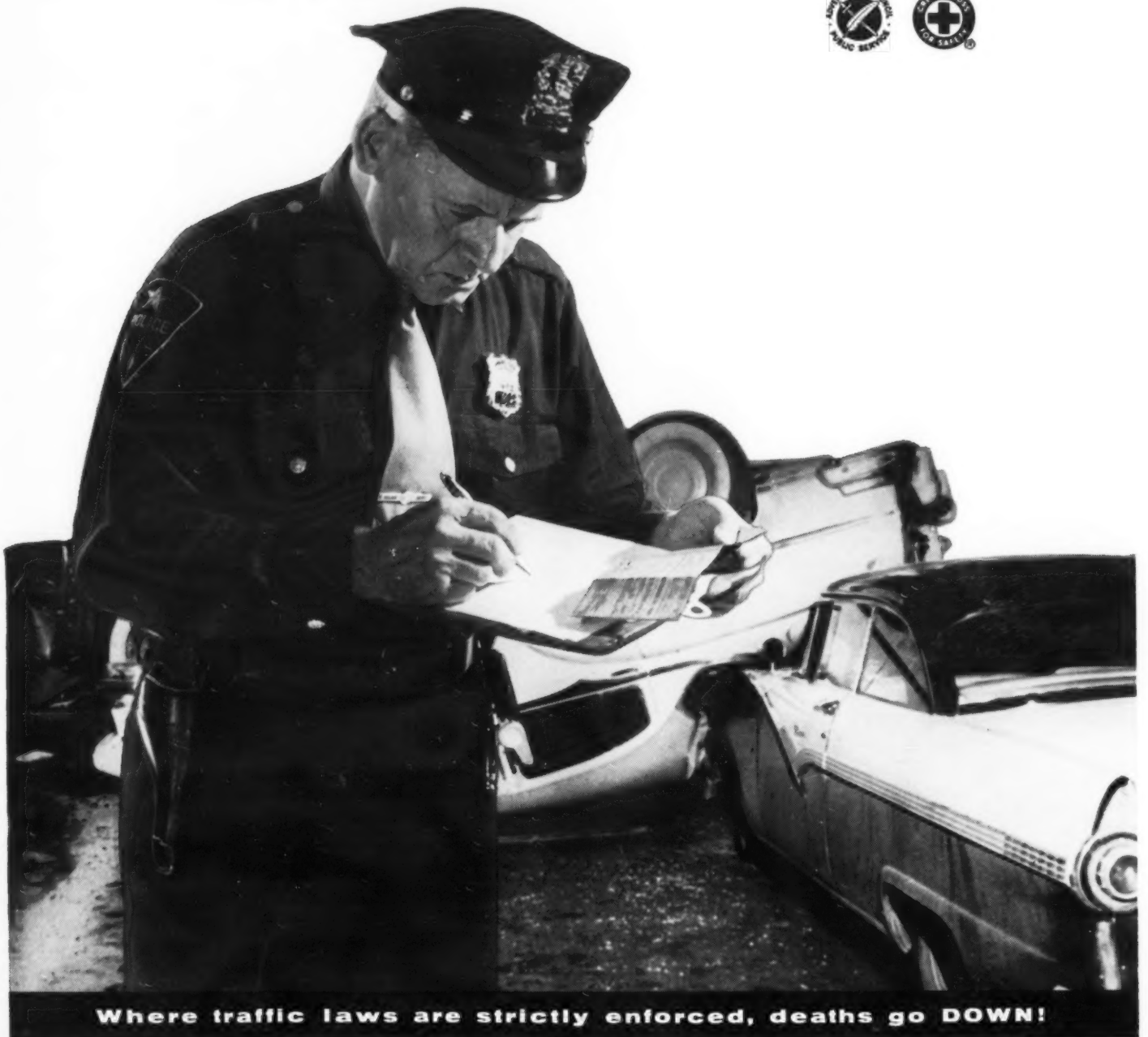


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Last year, traffic accidents killed 37,000, injured 1,400,000

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Traffic accidents' human toll is so tragic we sometimes overlook their staggering economic waste. Five Billion Dollars in lost wages, medical expenses, insurance costs and property damage! Your business—every business—shares in this loss. So you have a double interest in helping reduce traffic accidents. And you *can* help! Drive safely and obey the law yourself . . . certainly. But go further. Use your influence to promote safe driving and urge strict law enforcement. To make your efforts more effective, join with others working actively to reduce traffic hazards in your community. *Support your local Safety Council!*



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Books You Can Use to Boost Buying Knowledge

Here, Based on Interviews with 133 Purchasers,
Is What You'll Need to Broaden Your Background

Many readers have suggested that a reading list be compiled and published by **PURCHASING WEEK**. The common thread to all these requests has been the caution that the list be practical and selective. Based on written interviews with 133 purchasing executives, discussions with leading publishers and educators, and other lines of extensive research, **PURCHASING WEEK** has compiled what should prove to be a practical and selective reading list.

Not all of the books are on purchasing per se. An interest in a broad cross-section of subjects was expressed by many purchasing men. But all of these books have a bearing on purchasing—in some way by having the knowledge in these books a reader would be a better purchasing agent.

It may be of interest to know how surveyed purchasing agents voted on subjects of greatest interest to them in their reading. In first place was the subject, Inventory Management. Of the 133 P.A. respondents, 99 mentioned this subject. Next in number of mentions was Research in Purchasing with 94 P.A.'s.

Other subjects rating high in interest of purchasing men, and their number of mentions, are as follows: Value Analysis (88), Forms and Records (85), Negotiation Techniques (84), Materials (82), Standardization (82), Pricing (81), Legal Considerations (81), Make-or-Buy (75), Salvage, Scrap, & Waste (74), and Supervising People (67).

Still other subjects receiving multiple-mention were Better Reports, Economic Forecasting, Performance Measurement, Budget Management, Operations Research, and Manufacturing Processes.

When asked about what general subjects they covered in their business reading here were the subjects receiving most mentions: The Procurement Function (90), Management Topics (53), and "Specific Problems of My Industry" (37).

INVENTORY MANAGEMENT

Inventory Management of Purchased Materials, National Association of Purchasing Agents, 1958—(free to members)

Magee, John F., **Production Planning and Inventory Control**, McGraw-Hill Book Co., 1958—\$7.50

Melnitsky, Benjamin, **Management of Industrial Inventory**, Chilton Co., 1951—\$4.75

Scientific Inventory Management Simplified, Federal Supply Service, General Services Administration, 45¢, Fed. Stock No. 7610-543-6765 Supt. of Documents, Government Printing Office

Welch, W. Evert, **Tested Scientific Inventory Control**, Management Publ., 1956—\$12.50

Whitin, T. M., **Theory of Inventory Management**, Princeton University Press, 1953—\$6.50

VALUE ANALYSIS

Cutting Costs by Analyzing Values, National Association

of Purchasing Agents, 1952—(free to members)

"How to Analyze Value", Chapter 11, **Purchasing Handbook**, McGraw-Hill Book Co., 1958—\$15.00

"Value Analysis: Modern Approach to Cost Reduction" Chapter 5, American Management Association Report No. 20, 1958—\$2.25 (non-members)

FORMS and RECORDS

Knox, Frank M., **Design and Control of Business Forms**, McGraw-Hill Book Co., 1952—\$7.50

Handbook of Business Forms, Prentice-Hall, 1953—\$5.95

MATERIALS

Brady, George S., **Handbook of Materials**, McGraw-Hill Book Co., 1956—\$12.50

Mantell, Charles L., **Engineering Materials Handbook**, McGraw-Hill Book Co., 1958—\$21.50

Ansley, Arthur C., **Manufacturing Methods and Processes**, Chilton Co., 1957—\$12.50

STANDARDIZATION

Industrial Standardization: Study No. 85 in Business Policy, National Industrial Conference Board, 1957—\$3.75

Melnitsky, Benjamin, **Profiting from Industrial Standardization**, Conover-Mast, 1953—\$5.00

Reck, Dickson, **National Standards in a Modern Economy**, Harper & Bros., 1956—\$5.00

Standardization Manual, National Association of Purchasing Agents, 1958—(free to members)

Standards: A Procurement Tool, National Association of Purchasing Agents, 1950—(free to members)

PRICING

Backman, Jules, **Price Practices and Price Policies**, Ronald Press, 1953—\$8.00

Bergfield, Earley & Knobloch, **Pricing for Profit and Growth**, McGraw-Hill Book Co., 1957—\$15.00

Kaplan A. D. H. and others, **Pricing in Big Business**, Brookings Institute, 1958—\$2.00 (paper)

Competitive Pricing, Management Report No. 17, American Management Association, 1958—\$3.00 (non-members)

LEGAL ASPECTS OF PURCHASING

Gray, A. W., **Purchase Law Manual**, Chilton Book Co., 1954—\$6.00

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PUBLISHER'S ADDRESSES

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Philadelphia 39, Pa.

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Princeton, N. J.

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John Wiley & Sons
440 Fourth Ave.
New York 4, N. Y.

Corporate Profits Regain Bloom of Health

**Total of \$50 Billion Before Taxes for 1959
Plus Heavy Capital Equipment Outlays Loom**

New York—Booming profit picture is having important price, buying and inventory repercussions. With corporate tills showing a whopping 35% pre-tax profit increase this year, sights are being raised all along the line.

• **Plant and Equipment**—Capital equipment purchases already are being stepped up in line with the rising profit curve. So far, 1959 equipment outlay estimates have had to be revised upwards twice—with the last one about \$1.5 billion above the first one.

• **Inventories** — With more money coming into the corporation tills, inventory policies also are being liberalized. You'll find management will be a lot more reasonable as far as keeping adequate inventories is concerned.

• **Prices**—Record profits also are having a price effect. They tend to ease the cost-price squeeze and reduce the necessity for price increases.

A look at the chart (above, right) tells the story of the amazing profit recovery in 1959.

It now appears that corporate profits in 1959 will total around \$50 billion before taxes. That's almost \$15 billion over 1958 levels. After-tax-profit figures are almost as optimistic, too.

Although the nationwide steel strike will depress third quarter earnings for some important industries, the final quarter is expected to show a rebound that will push profits to higher than ever.

Are these profits too high? Labor says "yes." Management retaliates with a resounding "no."

As is usually the case, convincing arguments can be given for both viewpoints. However, a thorough analysis of all the arguments does bring one point clearly into focus: In terms of earning power and past experience, the profit picture is not quite as impressive as first glance would indicate.

Just look at the chart that compares profits of the last decade. It is obviously not legitimate to make comparisons only with 1958, which was a year of severe recession.

Although profits are up very sharply from last year, the rate of increase over a ten-year period has been less than for wages and salaries. And during this time profits have been subject to some violent drops as well as increases.

Air Rather Than Profits

Furthermore, not all profits as reported represent usable cash for business. Some profits turn up on a company's books simply because inflation has increased the price of goods held in its inventory.

In recent years, more conservative accounting practices and a slowed rate of inflation have reduced the size of "inventory profits," but there are still some of them in the \$50 billion total.

Also, most companies do not charge as much depreciation on their plant and equipment as would really be necessary to re-

place it at the rising price levels.

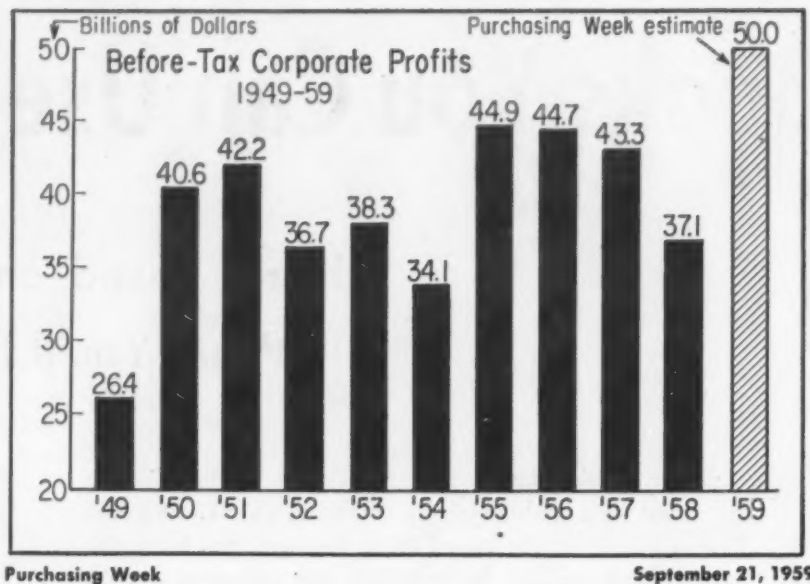
This leads to a further overstatement of profits, although here too better accounting practice (aided by liberalization of the tax laws governing depreciation) has cut down the overstatement in 1959 as compared with five or ten years ago.

Knocking these profit figures down to size, however, doesn't mean the picture is bleak. Noth-

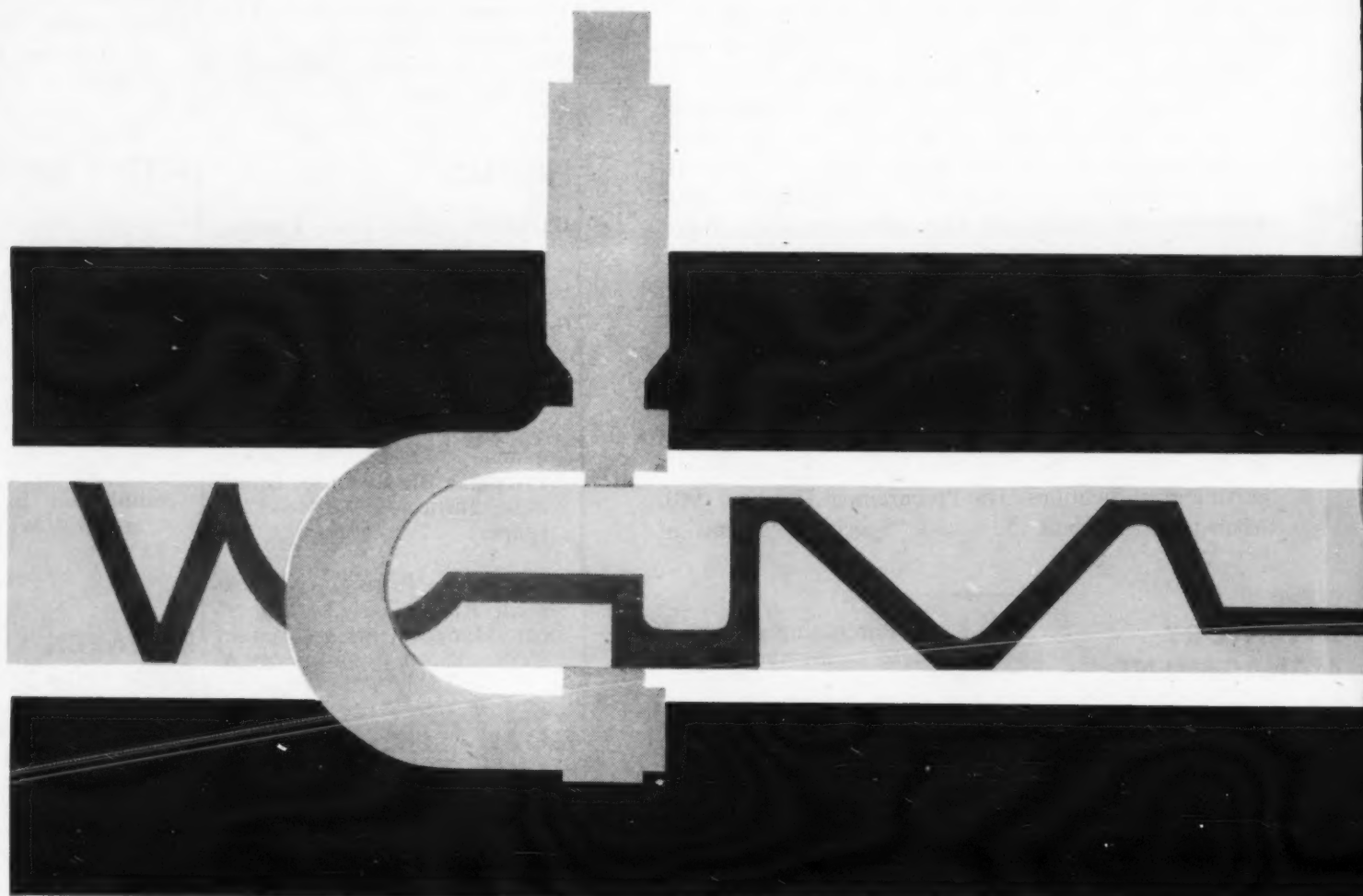
ing could be further from the truth.

By most yardsticks the profit outlook is still encouraging. With general business rising into 1960, and a good chance that wage increases will be matched by higher productivity, many companies will continue to improve their earnings in the months ahead.

Thus profits will continue to be a plus factor in the business outlook and provide a strong—though by no means excessive—supply of funds for capital investment.



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Westinghouse Electric Boosts Lamp Longevity

Bloomfield, N. J.—Design improvements and manufacturing advances have enabled Westinghouse to increase the life and light output of its mercury vapor lamps. The life rating of some lamps has been increased 30% from 7,000 to 10,000 hours—while other types have been increased from 6,000 to 7,000.

Most clear mercury lamps are now rated at about 500 additional lumens and some color-corrected lamps now produce as much as 2,000 more, a company spokesman says.



CUTTING TOOLS corresponding to standard sizes and shapes are made by assembling pre-formed metal wafers on arbors, inserting cutting tips into appropriate edge cut-outs and brazing the entire assembly solid.

New Process Expected to Lower Cost Of Multi-Flute End-Cutting Tooling

Spiral Tool Co. Claims New Process Will Spare Purchasing Agents High Replacement Incidence

Detroit—Lower prices for its multi-flute end-cutting tools will result from a new manufacturing process, says Spiral Tool Co. Price reductions anticipated amount to 5-10%. In addition, the company claims that the process will save the buyer 30-50% on replacement costs.

Spiral already is producing reamers, core drills, counter bores and end mills by the "pre-formed wafer" technique. The method, as developed by Spiral, eliminates a number of basic machining operations previously needed in the manufacture of cutting tools.

The new method is applicable to many types of tools, including carbide and HSS types. In addition to the cost saving advantages, the method also is said to improve tool performance.

These new cutting tools are made up using a pre-formed wafer construction. Thin wafers are made with the same basic shape desired in the finished tool. They then are assembled on arbors of various sizes corresponding to standard sizes, lengths and styles of tools already in use. HSS or carbide cutting tips are put in the appropriate cut-outs and the entire assembly is brazed into a solid mass.

The replacement savings will occur when buyers return tools to Spiral for a new backing (wafer), instead of discarding them.

The conventional processing steps that are eliminated include: 1. stock cut-off, 2. turn stock to require diameter and shape, 3. mill flutes and geometrical configurations.

In the new design, basic tool geometry is incorporated into one flat area called a wafer. These wafers are economically pre-formed in large quantities through production stamping, then assembled on arbors and brazed into a solid mass. Cutting tips are sharpened by conventional cutter grinding methods.

The new manufacturing process results in a denser tool. The higher density acts as a vibration dampener, tends to eliminate tool chatter caused by machining vibrations. Tool chatter can fracture the cutting tips. Better heat dissipation at the cutting edges also improves life of the new design.

General Electric Sets New 'Econo-Match' Plan To Help Motor Buyers

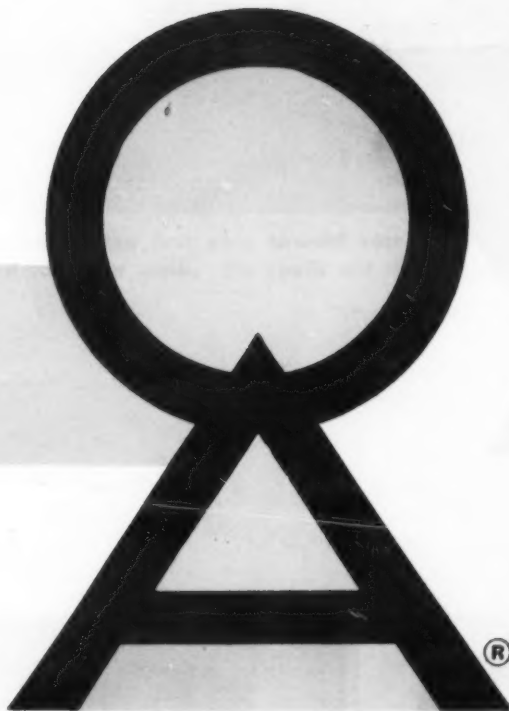
Schenectady — General Electric's new "Econo-Match" motor selection service extends engineering help to original equipment manufacturers.

G.E. will use an enlarged force of trained field engineers to work with machine designers in studying the needs of the user and matching the drive motor to those needs. It claims that perfect matching of motor to machine and application can mean real savings for the user while improving performance and reliability.

All of the pertinent characteristics of the driven machine—speed, torque, duty cycle, desired life, and special environmental conditions—are considered and the information is sent to the engineering department in Schenectady. Here, a computer sifts through thousands of designs in minutes and selects the best.

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MEIrose 4-1492

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Follansbee Metals Co.
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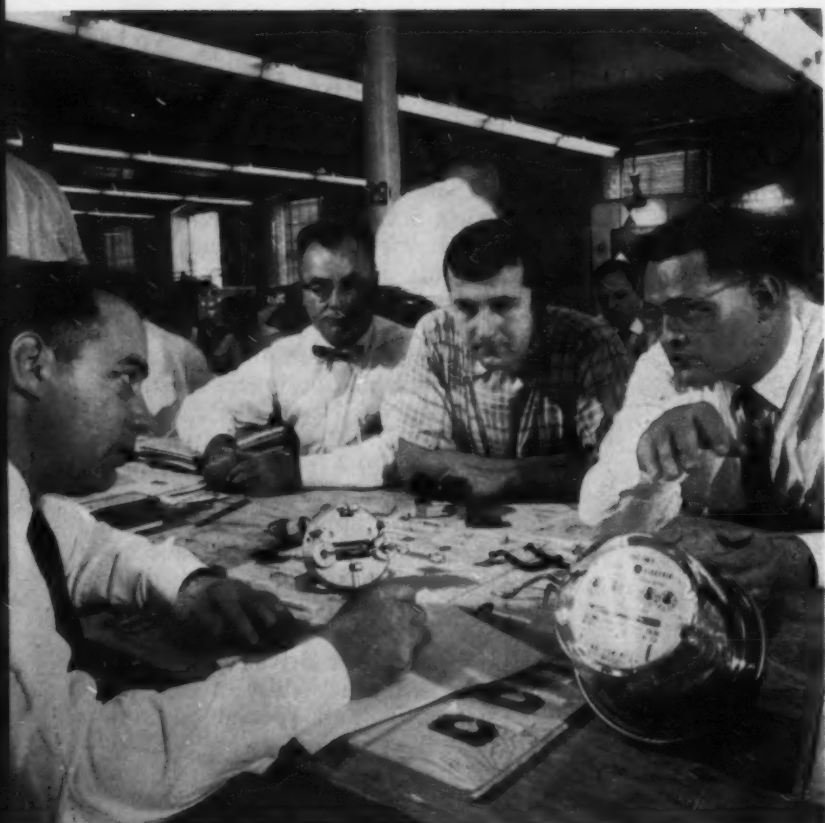
Value Analysis In Action



What is the part? What does it cost? What does it do? What would that cost?

These are questions the men in the photos are asking as they attend a Value Analysis seminar under the leadership of the Value Analysis Society. Here, purchasing, engineering, and manufacturing men are being trained up to work on value-hunting projects.

The six big steps they take: preparation, selection, analysis, evaluation, development, and summarizing.



ANALYZING each part of the product under inspection points up possible new component balance.



COMPARING notes and opinions, Value Analysis team members weigh new ideas, probe additional improvements.



IMPROVING operation the big job.

lysis on

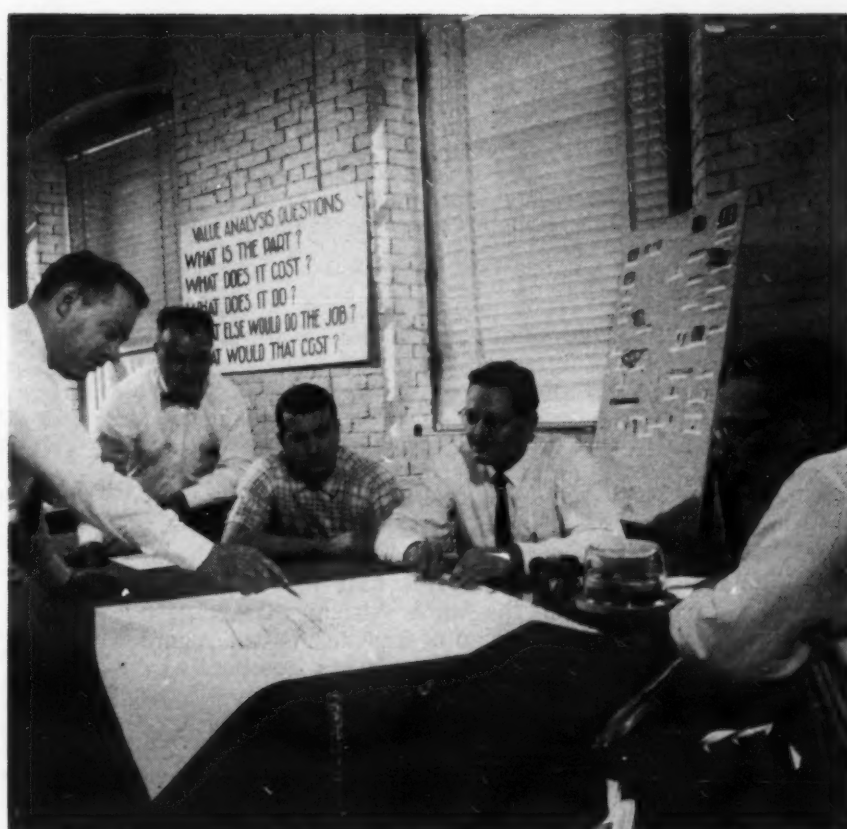
What do? What else would
ing themselves. They're
ion of General Electric
uring men are teaming
s, comparison, improve-



PREPARING for a seminar is the first step toward cost cutting. Participants hear Value Analysis project moderator set the ground rules for work. He spells out the over-all goals, describes what each participant's project role is.



product is a bonus, but it isn't
main focus is on cutting costs.



DIAGRAMMING results of combined team work is one of the last steps in bringing a project to completion.



SUMMARIZING the success of the project, G-E moderator brings the V-A seminar to its conclusion.

Foreign Perspective

London—Look for a faster tempo in British industrial recovery through the coming winter—no matter which party wins the October 8 general election.

Signs are that output hikes are spreading back beyond the consumer goods industries and into the capital goods area.

One bright sign is steel. August output showed a sharp 13% gain over year-ago levels—thanks to big increases in purchases of lighter products such as bars, roller strips, wire rods and tubes.

While demand for other products has been almost as brisk, there's been little upward tendency in general commodity prices. Ample capacity has seen to that.

So far the only important exception to the stability pattern has been rubber. Notable gains were recently racked up in this commodity due to a combination of factors.

Most important have been the continued heavy purchases by the Soviets and the Red Chinese. But adding to the upward pull has been U. S. buying pressure at Singapore and the recent troubles in Indonesia and Laos.

Some traders here now think the rubber price is dangerously high. They point to the fact that this commodity has in the past been subject to sudden setbacks.

Beirut—The trend toward "common markets" has reached the Middle-East.

Setting up such a market is the primary goal of the Nov. 14-18 meeting of the Federation of Arab Chambers of Commerce.

Their first job will be the knotty problem of getting the diverse Moslem economies to agree on the need for such action. In making their case, proponents of the scheme will emphasize the need to counteract the effects of the European Common Market on Arab economies. These effects are likely to be felt in a few years.

The conference also will discuss stronger trade, banking, and financial ties between the Arab countries, members of the Arab League, and the oil-rich Arab sheikdoms of the Persian Gulf.

The conference will also take up recommendations to establish joint chambers of commerce between Arab countries and some foreign countries, especially in Latin America.

Sao Paulo, Brazil—This country's aggressive coffee pricing and selling policy is showing better-than-expected results.

In July, for example, Brazil exported 1,891,166 bags of coffee—more than in any month in recent history.

Brazil's new policy is to let world prices

Arabs, Too, Want
Common Market

follow supply and demand patterns within certain limits. The former policy was to try to keep world prices as high as possible or at least stabilize them.

Brazil also is following a more aggressive selling policy. Warehouses are being set up in Trieste and Hamburg to facilitate sales in Europe. Advertising and sales promotion have been stepped up.

To meet competition from Africa, the Brazilian Coffee Institute is making direct sales of low grade coffees from the huge surplus stocks it holds in Brazil to instant coffee manufacturers from the U.S.A. The most recent deal amounted to 600,000 bags and the price was below the market price for African coffees, which are used largely for instant coffees.

Coffee also is being bartered to the Iron Curtain countries for industrial equipment, ships and chemical products.

Bonn—The growing world-wide coal glut already is affecting mining operations in the industrial Ruhr area.

Twelve to 15 coal mines in the Ruhr with a production capacity of 6 to 10 million tons annually will close voluntarily in the next two years.

That should reduce annual production down to about 121-123 million tons—roughly the current demand rate.

Another aim of the plan is to abolish the short work week among miners.

The closing of the mines will help since it will mean the releasing of some 40,000-50,000 workers. Another 200,000 reduction in the work force over the next two years will come through "natural" forces—as retirement, sickness, and death lop another 200,000 miners off the payroll.

Government aid will be needed to effect the change—notably a proposed levy on fuel oil to restrict oil competition with coal during the reorganization period. The tax also would be used to help restore miners in other jobs.

Africans Shun American Industrial Goods But U.S. Consumer Goods Stay Competitive

Johannesburg—U. S. Manufacturers of industrial goods are losing ground in South African markets because their prices are too high. American consumer goods, in contrast, are regarded as highly competitive.

South African importers pointed to the contrasting situation last week when they were polled on the effect of price differentials between U. S. and other imported goods.

A large importer of machinery and machine tools reported that American prices for many items in that category are 30-40% higher than competitive British products. Continental sources, in turn, undercut the British by an additional 20-25% he said.

Noticeably Higher U. S. Prices

A buyer for one of the leading South African mining houses reported that American tools, machinery, and chemicals have become noticeably dearer during the past year or two while European prices on industrial goods in this category have fallen slightly.

Buyers in the consumer field reported a divergent trend: Most American prices are either on a par with Continental levels or even slightly lower.

Trade opinion here holds that Americans are surrendering an increasing share in one of their own special fields of manufacture to British, Continental,

Japanese, and even South African producers.

In the automotive accessories market, importers estimate U. S. firms suffered a sales drop of around \$330,000 in recent months. One machinery importer said the proportion of his company's imports from the U. S. dropped from 30% to 10%. He said only specialized equipment not obtainable elsewhere was being bought from the United States.

Kitchenware the Same

Kitchenware, however, was cited as one area where there was little price differential. Prices and quality of items produced by a British subsidiary of a prominent American manufacturer are roughly the same as those of the parent company.

American producers appeared most competitive in textiles, such as nylons, organdies, glazed cottons, and cotton prints. The fact that they continue to sell in the South African market despite the handicap of high tariffs was regarded as an indication of their competitive domestic position.

Other importers, particularly in Johannesburg where fashion and other higher bracket goods find an excellent retail market, complained that certain U. S. items sell more on reputation with no attempt to compete with other countries on a price basis.

Britain Is Shedding Her Trade Barriers

London—Britain is making substantial strides toward elimination of traditional restrictive trade agreements affecting prices, distribution, and other aspects of business operation.

600 Terminated in Year

Six hundred such agreements have been terminated during the year the Restrictive Trade Practices Court has been sitting. The Court handed down its first ruling against Lancashire textile mill operators; since then only 34 cases have been brought before it, and of these only six were contested.

The legislation which set up the court requires condemnation of all agreements between "rival" manufacturers unless they can be proved to be in "the public interest." The law was an abrupt about face because agreements among competitors in many industries have been a widely accepted practice in the United Kingdom since the Great Depression of the 30's.

2,200 Agreements Registered

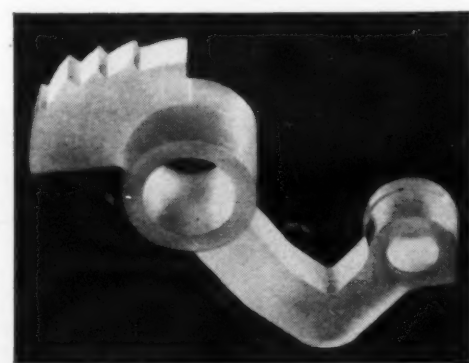
Some 2,200 agreements have been registered under the act so far. Firms in 380 cases were warned of coming court action and 250 of those voluntarily abandoned their pacts. Another 350 agreements were junked without court warnings.

Of the remaining agreements, administrators of the act estimate that the fate of about 1,050 depends on the outcome of pending cases.

Japan's Steel Flow Increases to New High

Tokyo—August production levels set a new high of 1.49 million tons of steel ingots—an increase of 5.5% over July. Japan now expects year-end figures to reach 16.5-million tons, surpassing 1958 by 25%.

Production for 1961 should hit 19.48-million tons. Even with completion of a third modernization program, France's output is not expected to top 18.5-million tons, and observers here now predict Japan will climb still higher to become the world's third largest producer within 10 years.

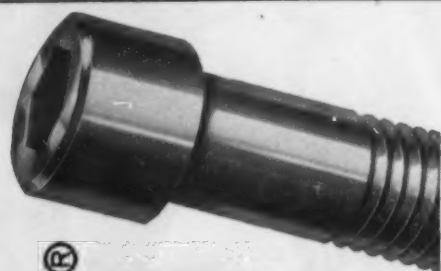


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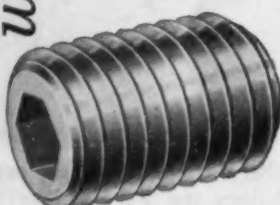
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Japan's Finance Ministry Slackens Rules of Strict Monetary Control

Buyers View Decision as a Step Toward Revival Of Free Trade as Nations Exports Continue Up

Tokyo—In a step aimed at gradual revival of free trade, Japan relaxed its strict monetary control last week by allowing banks to quote—within limits—their own prices on foreign exchange it was reported here.

This decision, according to a Finance Ministry spokesman, reflects recent healthy accumulations of foreign exchange reserve due to favorable trade abroad.

The Japanese move came atop a U. S. Commerce Department report that, for the first time since World War II, Japan's exports to the U. S. exceeded its imports by \$18.7 million during the first half of 1959.

The report indicated that Japanese exports to the U. S., sparked by the American steel strike, had amounted to \$456.5 million for the six-month period—an increase of 51% over the same period in 1958.

Steel, Textiles, Paper Up

Three categories of goods—steel, textile fibers, and wood and paper—accounted for more than half the increase, the department said.

It is trade such as this that has permitted Japan to move towards revival of a completely free foreign exchange market.

Except in the illegal black market, free foreign exchange has not existed since World War II, and banks have had to buy and sell at prices fixed by the Japanese government.

The Longest Strike: U. S. Intervention Seems a Certainty

(Continued from page 13 utilized, just how would it work?)

- To invoke the national emergency section of the Act stops a strike for 80 days but does nothing automatically to settle the dispute. The back-to-work order follows a Presidential fact-finding board recommendation and a federal court injunction to halt the strike.

- The first 60 days of the "cooling off" period allows for the Presidential emergency board to go back into action for further investigation of the dispute. The board reports to the White House and its findings then are made public.

- The National Labor Relations Board then has the next 15 days to conduct a secret ballot election on the employers' last offer. The results must be certified within the next five days.

- If there then is no basic change in the parties' positions, the strike could go on again—as has happened several times under T-H. On all last offer ballots, the union has rejected the terms offered.

In the case of steel in 1959, the feeling prevails that odds are against a settlement being formulated during any T-H-invoked 80-day period.

Another form of White House pressure or a basic change in the position of one or both sides is seen as the only hope of solution to the impasse now reached by the steel industry.

Britain's Steel Industry Work at 80% of Capacity

London—Recovery of Britain's steel industry—now working at just over 80% of capacity—picked up speed in August with a 13% gain over 1958 as compared with less than 2% gains in June and July.

Production this year—still below that of 1957—was at an annual rate of 17.5-million tons, compared to 16.6 million for July, and 15.5 million in August, 1958, the low point in the recession.

Biggest increase in demand has been for lighter products.

Canadian Industries, Ltd., Bonds Fiber, Rubber In Bid for Increased V-Belt Conveyor Trade

Montreal—A cheaper and more efficient system of bonding polyester fiber to rubber has been announced by Canadian Industries, Ltd.

Researchers of C-I-L see worldwide implications for their technique in the manufacture of tires, industrial V-belts, automotive fan belts, conveyor belting, and other mechanical goods.

Canadian Industries, which manufactures the polyester fiber "Terylene," claimed last week that its "research achievement

means that Terylene (which has exceptional strength and dimensional stability) can now be used as readily as other fibers in the mechanical rubber goods field." Until now it has been necessary to use bonding materials which are "comparatively expensive and difficult to use" because of their inflammability and toxic ingredients, a company spokesman said.

Laboratory findings included tests in which rubber gave way before the bond would break.

GAYLORD POINTS OUT MANY WAYS YOU CAN SAVE IN PACKAGING

Gaylord uses a sharp pencil to survey your *total* packaging operation—checks those hidden costs that are frequently more important than the price of the box.

If you demand increased production, improved protection and important savings in corrugated packaging . . . call in your G-man. He'll help you erase any packaging errors, leave an indelible mark on the credit side of the ledger.



GAYLORD
CONTAINER CORPORATION



HEADQUARTERS, ST. LOUIS
PLANTS COAST TO COAST

DIVISION OF **Crown Zellerbach Corporation**



Profitable Reading for Purchasing

New Books

Prices, Income, and Public Policy. By Clark Lee Allen, James M. Buchanan, and Marshall R. Goldberg. Published by McGraw-Hill Book Co., 330 West 42 St., New York 36, N. Y. 501 pages. Price: \$6.50.

This new book combines the thinking of three top economics professors on the current relationship between prices, income, and growth under our present capitalistic economy. After a general introduction to modern-day economic theory, the book gets down to specific allocation of resources as they affect business.

Just about every major business function is discussed as it applies to both the firm and the economy as a whole. And prices, under both free competition and monopolistic competition situations, get about the biggest single play in the book.

The purchasing executive will find that the analysis of the pricing structures that determine the cost of the goods he buys will be of particular interest. And their effects on the economy in general also will prove to be most fascinating.

Fundamentals of Professional Management. By John G. Glover. Published by Simmons Boardman Publishing Corp., 30 Church St., New York 7, N. Y. 406 pages. Price: \$6.50.

As the manager of his department, most purchasing executives find that organization and control are vital to operating an efficient purchasing group. Your ability as a manager often becomes a vital part of your job, just as it does with executives in most other business positions.

This book is one of the most comprehensive guides to managerial operations available. Every function, from the very big to the very small, is carefully analyzed and interpreted.

The purchasing department and its relation to other operating functions is discussed from a number of different points of view. Professor Glover, an established management expert, gives his own interpretation.

From the _____ Associations Chemical Industry

"Chemical Industry Facts Book" contains information on virtually every aspect of the field. Designed as an aid to purchasing agents requiring specific information on the chemical field and its products. The Manufacturing Chemists' Association represents over 90% of the chemical production capacity in the U. S. It revises the Fact Book every two years. Available for \$1.25 from *Manufacturing Chemists' Association*, 1825 Connecticut Ave., N.W., Washington, D. C.

From the _____ Manufacturers Dielectric Materials

Information given includes casting resins, foams, absorbers, adhesives, impregnants, coatings, reflectors, etc. Contains data chart on various standard resins.

Emerson & Cuming, Inc., Con-
ton, Mass.

Metal Cleaning

(28 pages) Discusses techniques of cleaning—tank cleaning, electrocleaning, barrel cleaning, machine cleaning, etc. Describes pickling, deoxidizing, and metal etching treatments. Also discusses rust prevention between operations. *Oakite Products, Inc.*, 157 Rector St., New York 6, N. Y.

Motor Starter

Describes Furnas electric magnetic motor starter. Shallow base enclosure and pressure connectors aid in quicker wiring. All contacts are front replaceable. Contact blocks are impact resistant. *Furnas Electric Co.*, 1134 McKee St., Batavia, Ill.

Circular Milling Cutters

Graphically shows cutting standards for circular milling cut-

ters when used on various metals and plastics. Helps to determine the performance of circular milling cutters. *Morse Twist Drill & Mach. Co.*, New Bedford, Mass.

Rubber Parts

(6 pages) Bulletin Add-167. Aids user in choosing the right rubber for his specific application. Describes various types of molded and extruded rubber parts for use on automobiles, aircraft, machinery, appliances, office equipment,

etc. *Garlock Packing Co.*, 436 Main St., Palmyra, N. Y.

Industrial Gloves

(16 pages) Catalog No. WR-459-28. Illustrates complete line of "Wil-gard" industrial gloves and finger cots. Gloves are available in disposable polyethylene, natural rubber, compar plastic, lined or unlined neoprene, etc. Gloves are said to be resistant to most common industrial gases, chemicals, and acid solutions.

This is all the room you need
to weld with LINDE's
"MIGHTY MIDGET"



... New **Heliarc**
HW-20 Torch



HIGH CURRENT CAPACITY

Operates at 200 amperes continuous duty, AC or DC. Molded, totally closed water-cooling system eliminates any chance of leaks at torch head.



MINIATURE SIZE

9/16- by 2-5/16-in. torch head permits welding in hard-to-reach areas as small as 3 in. in diameter. Total torch length is under 7 inches.



3.3-OZ. FEATHERWEIGHT

Selected materials, such as glass fiber reinforced phenolic plastic, save weight without sacrificing strength. Torch (with short cap) weighs only 3.3 ounces.



HANDLES LIKE A PENCIL

Exceptional balance, light weight, small size, and super-flexible service lines make the HW-20 torch as easy to handle as a pencil.

For further information, call your local LINDE Office or LINDE Distributor . . . or write: Dept. PW-94, LINDE COMPANY, Division of Union Carbide Corporation, 30 East 42nd Street, New York 17, New York.

The terms "Heliarc," "Linde," and "Union Carbide" are registered trade marks of Union Carbide Corporation.

SPECIFICATIONS

Capacity—
200 amp. AC or DC, continuous duty cycle;
225 amp. AC or DC, reduced duty cycle

Weight—
with short cap: 3.3 oz.*
with medium cap: 3.5 oz.
with long cap: 3.6 oz.

Length overall—6 7/8 in.

Length of Torch Head—
with short cap: 2-19/64 in.*
with medium cap: 3-9/32 in.
with long cap: 7-5/16 in.

Maximum Handle Diameter—3/4 in.

Maximum Head Diameter—9/16 in.

Service Lines—12 1/2 or 25 ft.

*Torch is supplied with medium cap for 3-in. electrodes. Short cap for 2-in. electrodes and long cap for 7-in. electrodes are available as accessories.



Agents

Wilson Rubber Co., Industrial Division, 1200 Garfield Ave., S. W. Canton 6, Ohio.

Natural Gas Engine

Gives full operational information, field-test data, prices and complete specifications on the GAC-2 natural gas engine. May be used for a variety of applications including prime power for pumps, compressors and generators, liquid transflow and shallow well pumping. American Marc, Inc., 1601 W. Florence Ave., Inglewood, Calif.

Induction Heating Equipment

(52 pages) Gives latest developments in hardening, brazing, soldering, forging, and annealing.

Some of the sections cover electronic generator features, motor generator sets, low frequency heating units, etc. Dept. PR-2, Induction Heating Corp., 181 Wythe Ave., Brooklyn 11, N. Y.

Vacuum Equipment

(16 pages) Product summary and price list classifies vacuum equipment and components by type and code number. Over 600 listings cover pumps, valves, gauges, analytical equipment, leak detectors, etc. Aids user in selecting individual components from listings of high vacuum systems. NRC Equipment Corp., 160 Charlemont St., Newton 61, Mass.

Automatic Test System

Bulletin No. 307. Describes Stromberg-Carlson automatic test equipment (Scate). System employs solid-state devices in computer circuit modules to ana-

lyze test results and isolate malfunctions. Electronics Division, Stromberg-Carlson, 1400 North Goodman St., Rochester 3, N. Y.

Turbo-Meter

(12 pages) Bulletin OG-417. Describes functions, applications and operation of Rockwell Turbo-meter. Includes cutaway drawings, accuracy and head loss curves, accessories, etc. Turbo-meter sustains accuracy, regardless of the viscosity of the product being measured. Rockwell Mfg. Co., Meter & Valve Division, 400 N. Lexington Ave., Pittsburgh 8, Pa.

Cold Processed Rod

(8 pages) Describes cold process rod and screw machine stock as well as the "Stak-Pak" system which is said to reduce labor and space requirements at points of delivery and storage. "Stak-Pak" system is for packing, shipping, warehouse storing and dispensing of cold processed rod and bar. Metals Division, Olin Mathieson Chemical Corp., 400 Park Ave., New York 22, N. Y.

Fisher Chemical Index

Catalog 123. (365 pages) Describes over 7,000 chemicals in an alphabetical listing. May be used for reference work. Gives structural formulas, formula weights, melting and boiling points, etc. Fisher Scientific Co., 389 Fisher Bldg., Pittsburgh 19, Pa.

Automotive Signal Flashers

Catalog AF-20. Includes information on standard and special automotive turn signal flashers, brake light indicators, special flashers and emergency warning units. Gives application notes, circuit diagrams, specifications, servicing instructions, etc. Tung-Sol Electric, Inc., 1 Summer Ave., Newark 4, N. J.

Renewable Fuses

Bulletin 1320. (12 pages) Discusses application of company's renewable fuses—ferrule and knife-blade. Gives ordering information on the 250 volt and 600 volt Economy Renewable fuses. Federal Pacific Electric Co., 50 Paris St., Newark 1, N. J.

Hose Fittings

Catalog 4482. Describes Parker's line of fittings and industrial hose for air, water, oil, and fuel service at pressures under 250 psi. Fittings are brass except for steel swivel nut and will not pull out of the hose. Parker Fittings & Hose Division, Parker-Hannifin Corp., 17325 Euclid Ave., Cleveland 12, Ohio.

Inline Accessories

Bulletin 91021. (8 pages) Covers pressure regulators, strainers, flow control valves, sequence valves, and quick exhaust valves. Supplies specifications, outstanding features, ordering data, and dimensions. Airmatic Valve, Inc., 7313 Associate Ave., Cleveland 9, Ohio.

Phenolic Resin Plastic

Bulletin 200. (12 pages) Describes Pyrotex—the firm's asbestos-reinforced, thermosetting phenolic resin plastic. This plastic is said to have a high modulus

of elasticity and great strength and it is chemical and water resistant. Is recommended for bushings and bearings, being inert to heat. Raybestos-Manhattan, Inc., Equipment Sales Division, Bridgeport, Conn.

Variable-Speed Pulleys

(12 pages) Gives technical data for five "MS" sheaves designed for ratings of 2, 5, 10, and 15 hp. Continuous rotational pumping action supplies constantly renewed film of oil on bearing surfaces. T. B. Wood's Sons Co., Chambersburg, Pa.

Cold Finished Steel Bar

Covers Jalcase 100, a free machining, stress stabilized cold finished steel bar. Lists applications including needle bars, electric motor shafts, gears, piston rods, turbine parts, starter shafts, etc. Jones & Laughlin Steel Corp., 3 Gateway Center, Pittsburgh 30, Pa.

Protective Surface Coatings

Chart provides thermal, physical, chemical, and electrical characteristics of HumiSeal Protective surface coatings for electronic applications. Also gives selector table which helps user determine which HumiSeal type best suits his individual requirements. Columbia Technical Corp., 61-05 Thirty-first Ave., Woodside 77, N. Y.

Air Gage System

Catalog 59D. (32 pages) Describes Federal Dimensionair, one-master Air Gage System. Also gives details of various attachments. Section covers use of Dimensionair System in automation gages. Federal Products Corp., 1144 Eddy St., Providence 1, R. I.

Laboratory Apparatus

(48 pages) Features new line of Freas ovens, incubators, sterilizers, and special purpose cabinets. Also lists microliter syringes, wrap-around safety shields, electronic relays, knife-type emersion heaters, etc. Arthur S. LaPine & Co., 6001 S. Knox Ave., Chicago 29, Ill.

Interchangeable Type

R 8964.6. Describes use of interchangeable-type method for quick typing of special symbols and equations needed in the field of engineering (one of a series of 18). Information concerning availability of booklets for other fields may also be obtained. Remington Rand Division, Sperry Rand Corp., 315 Fourth Ave., New York 10, N. Y.

Aids to Purchasing Machinery Replacement

Booklet describes the Jones & Lamson "avoidable costs" replacement formula. This is a method of evaluating the purchase of new machine tools and similar capital equipment by appraising the productivity of the old and new machines. Copies of the booklet, together with work sheets for applying the formula, are available from Jones & Lamson Machine Co., Springfield, Vermont.

Okonite offers remarkable new splicing tape free

The Okonite Company has reserved 500 quarter-pound rolls of a remarkable new splicing tape for free distribution to the readers of PURCHASING WEEK. Any purchasing man who handles tapes can receive one.

The new product—Okoweld—has unusual advantages. Here are some of them:

1 Up to 2000 volts, Okoweld is the only tape required for making a splice or termination.

2 Okoweld applies easily.

3 Okoweld is guaranteed against oozing, slipping, delamination or separation.

4 Okoweld is the only tape of its kind with U. L. approval as sole covering for electrical connections.

To receive your free roll of this unusual new product, just fill in the coupon below. No salesman will call because you mailed the coupon. This offer is made only to acquaint you with this development of Okonite Research.

The Okonite Company

Subsidiary of Kennecott Copper Corp.
Passaic, New Jersey

THE OKONITE COMPANY

Dept. PW-921

Passaic, New Jersey

Name

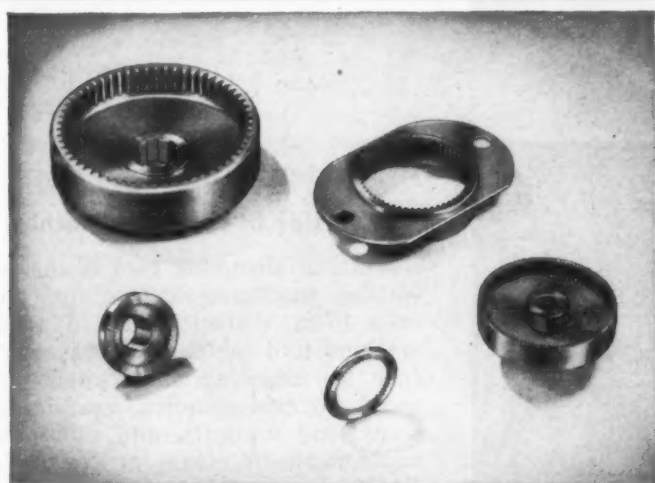
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Company

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INTERNALS made with famous G.S. precision give you better production

It's costly—in terms of machine time, man hours, overhead and customer dissatisfaction—to compromise on quality in Small Gearing for critical applications. You have no such worries when you order your Small Gears from G.S.—specialized equipment, specialized techniques and specialized, long-time experience assure properly designed, accurately cut Gears, produced to an unmatched standard of uniform accuracy. That means your production isn't slowed by rejects or imperfections—your product will operate smoothly and efficiently in the hands of your customers.

G.S. Internals like those illustrated above, for example, are cut to exacting specifications for such applications as air operated hoists, floor machines, radio equipment, navigating instruments and many other uses. If you use Internals—or any other type of Small Gearing—get G.S. in your picture!

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Small Gearing Guide.
Contains useful
charts. Send for
your copy today!



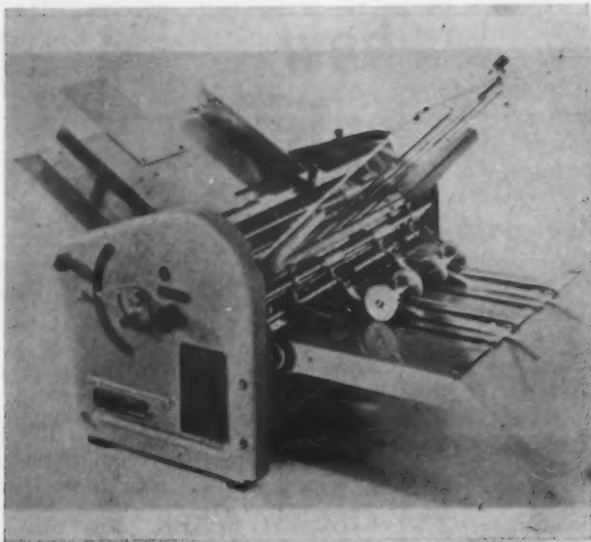
GEAR
Specialties, Inc.

2635 WEST MEDILL AVENUE
CHICAGO 47, ILLINOIS

SPURS • SPIRALS • HELICALS • BEVELS • INTERNALS
WORM GEARING • RACKS • THREAD GRINDING

WORLD'S LARGEST EXCLUSIVE MANUFACTURERS
OF FRACTIONAL HORSEPOWER GEARING

Here's your weekly guide to . . .



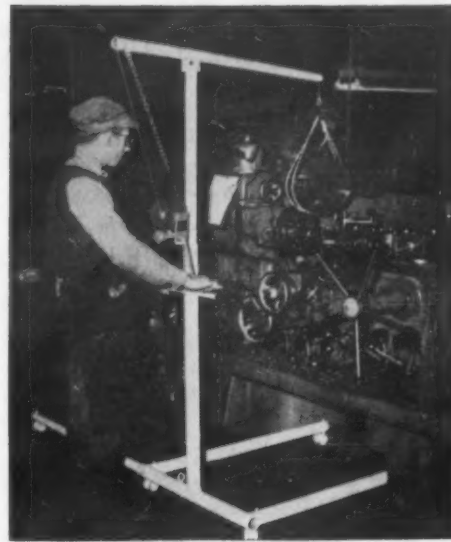
Folder

Handles 17x22-in. Sheets

Table model folding machine can handle sheets as large as 17x22 in. at speeds up to 9,000 per hour. It can make single or double parallel folds on sheets from 4x5 in. to 17x22 in. It also has two scoring wheels for right angle scoring. Adjustment from single to double fold made by flipping lever.

Price: \$495. Delivery: immediate.

Challenge Machinery Co., Grand Haven, Mich. (P.W., 9/21/59)



Hand Crane

Holds Loads to 300 lb.

Hand crane can safely position loads up to 300 lb. It is powered by a small hand-winch having a mechanical ratio of 30:1. Telescoping masts give a total lifting height of 9½ ft. Sidebars on the mast enable smooth transport and turning of the entire crane. It operates in the critical range where workmen are reluctant to call for help even though the load may be too heavy for them.

Price: \$99.90. Delivery: immediate.

Thern Machine Co., 3760 West Fourth St., Winona, Minn. (P.W., 9/21/59)



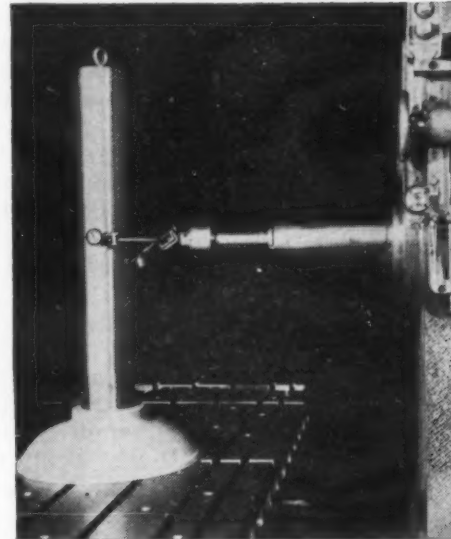
Rechargeable Battery

Uses Nickel-Cadmium

Rechargeable, sealed nickel cadmium cells and batteries designed for devices needing high energy. Cells are available in 8 sizes as well as a range of multiple cell batteries in numerous voltages. Individual cells are rated at 1.25 v. Both slow and fast charge are possible.

Price: From \$1. Delivery: 15-30 days.

Burgess Battery Co., Div. of Servel, Inc., Freeport, Ill. (P.W., 9/21/59)



Alignment Tool

Aids in Checking Machine Tools

Vertical alignment tool is an accurate, vertical, machined-steel column mounted on a 17-in. diameter base. Placed on a machine tool table, it serves as a reference for checking alignment of vertical and horizontal spindles, headstocks, columns, end supports, and other machine components by means of dial indicators. Tools have guaranteed accuracy of 0.0002-in. per foot of length.

Price: \$325 (36 in.), \$350 (48 in.), \$400 (60 in.). Delivery: immediate.

Davis Division, Giddings & Lewis Machine Tool Co., Fond du Lac, Wis. (P.W., 9/21/59)



Forming Tool

For Working Plastics

Electrically heated plastic forming and repair tool designed for forming thermoplastic sheet and in laying up fiberglass cloth over molds. Heater unit and 5 quick-change heads are said to meet all requirements. Heater is double sealed to prevent contamination.

Price: \$14.95. Delivery: immediate.

ERA Engineering, Inc., 1009 Montana Ave., Santa Monica, Calif. (P.W., 9/21/59)



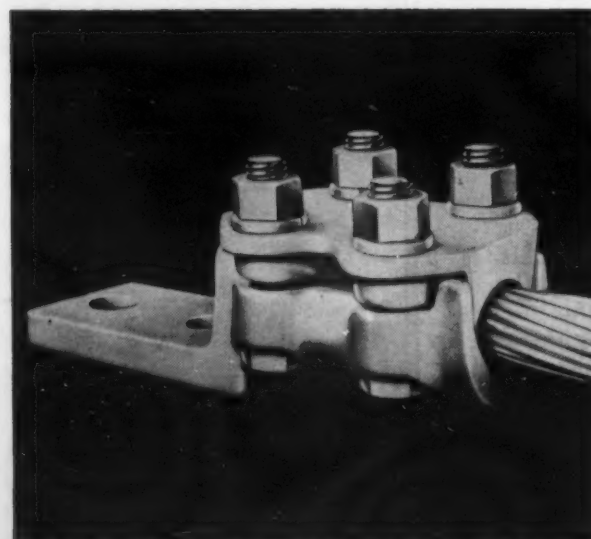
Plastic Filler

For Mending Pipes and Tanks

Plastic filler maintenance material for mending broken pipes, leaking tanks, etc. Will work on anything made of steel, iron, brass, bronze, aluminum, concrete, wood, and compositions. It can be sawed, sanded, painted and does not dry out, corrode, crack, rot, rust, expand, or shrink. Hardens to a finish for sanding or painting in 4 to 20 min.

Price: \$3.85 per qt. Delivery: immediate.

Dudley Plastics, Inc., Box 352, Webster, Mass. (P.W., 9/21/59)



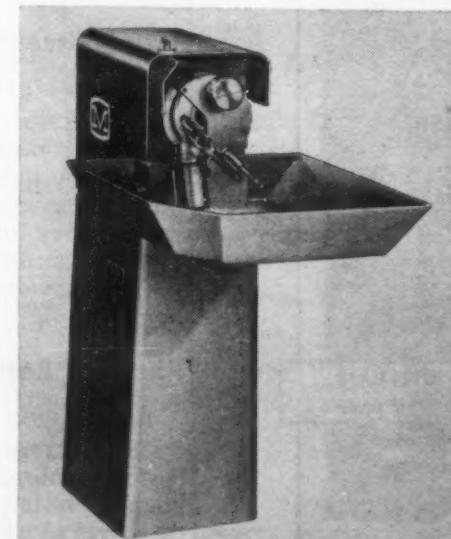
Cable Terminals

Connect Aluminum, Copper

Terminals designed for cable-to-flat connections to aluminum or copper. Eight sizes cover all cables from #8 through 2,000 mcm. Interlocking tabs confine the cable strands and prevent splaying, while a wide entrance prevents cable chafing.

Price: \$4.50 to \$27. Delivery: immediate.

Burndy Corp., Norwalk, Conn. (P.W., 9/21/59)



Drill Point Grinder

Gives High Precision

Drill point grinder will grind conventional, formed, or split points on a high-precision, high-production basis. V-rest drill holder positions each drill for grinding, eliminating the need for loading bearings or collets. Can grind all drill sizes from 1/8 to 1/2-in. diameter and up to 6 in. in length. It can grind conventional points with included angle of 118 to 150 deg. and attachments are available for split-pointing and helicentric pointing.

Price: \$3,285. Delivery: 8 wk.

Morse Twist Drill & Machine Co., New Bedford, Mass. (P.W., 9/21/59)

New Products

Another PURCHASING WEEK service: Price and delivery data with each product description.

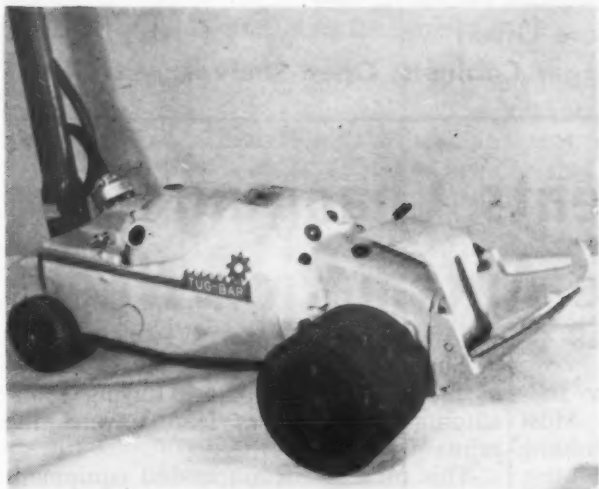
Pry Bar

Can Move 7 Tons

Motorized pry bar can move up to 7 tons and can be operated in minimum of space. It weighs 110 lb. and can be operated by one man. It is powered electrically and comes with 50 ft. of power cable. It can be used anywhere there is enough space for a man to stand.

Price: \$1,250. Delivery: immediate.

Western Gear Corp., Industrial Products Division, Belmont, Calif. (P.W. 9/21/59)



Bevel Grinder

Prepares Welds

Bevel grinder is designed to make on-the-job "machine-shop-accurate" weld bevel preparation on 6-in. to 18-in. pipe. Can be set to variety of angles. Operator grinds by rotating head around self-centering spindle. A 6-in. cupped grinding wheel is powered by 6,000-rpm. air motor.

Price: \$550. Delivery: immediate.

E. H. Wachs Co., 1525 N. Dayton St., Chicago, Ill. (P.W., 9/21/59)



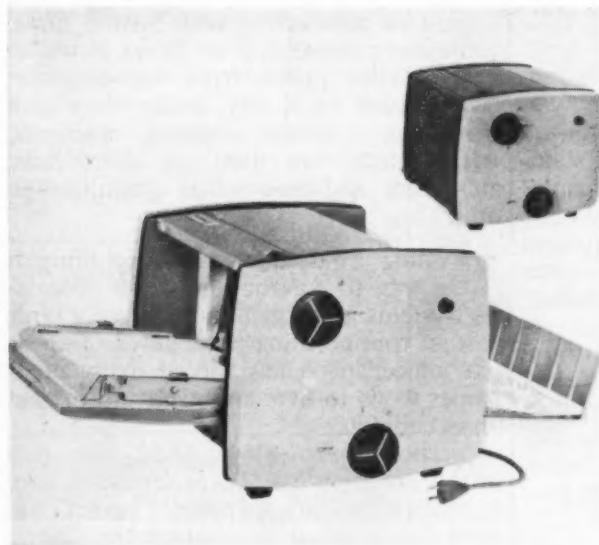
Spirit Duplicator

Takes Little Space

Spirit duplicator receiving and feed trays fold to self-contained, dust-proof case that occupies less space than an office typewriter. All operating controls are interlinked. One control separates all rollers and shuts off the fluid supply.

Price: \$295 (electric), \$190 (hand). Delivery: immediate.

Bohn Duplicator Co., 444 Park Ave. South, N. Y., N. Y. (P.W., 9/21/59)



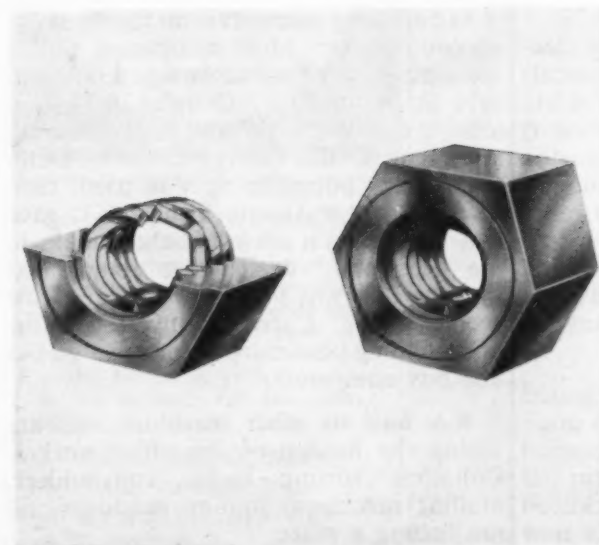
Self-Locking Nut

Uses Steel Insert

Self-locking aluminum locknut uses a high strength, spring-temper stainless steel wire form insert to produce locking pressure. Available in NC thread from #4-40 to #8-16 and in NFS thread from #6-40 to #8-24.

Price: \$.072 to \$.146 (subject to quan. disc.). Delivery: immediate on some sizes.

Waltham Precision Instrument Co., 221 Crescent St., Waltham, Mass. (P.W., 9/21/59)



September 21-27

Product Perspective

Polypropylene: Workhorse of the 60's

Now is the time to put polypropylene into perspective. It is the comer among the newer plastics. And it is likely to find its way into a number of products either you buy or your company makes.

Polypropylene is touted as "the workhorse plastic of the 60's" by industry people. By 1965 it should join vinyl and polyethylene as a billion-pound plastic.

A look at its properties and uses gives an idea of why polypropylene is such a good bet for the future.

Properties: Higher tensile strength and greater rigidity than high-density polyethylene. Its impact strength is good and it presents a reasonably hard, mar-resistant surface. Because it has the lightest weight of all plastics its yield per pound is higher than other plastics with similar price-property characteristics. So for many applications it offers cost-reduction possibilities. Temperature resistance is excellent; parts keep their shape and tensile strength at 300 F. or more. Chemical resistance is excellent also.

Uses: fan blades, hospital ware, electrical connectors, auto dome lights, aerosol containers, pipe fittings and valves, dinnerware, auto seat covers and outdoor furniture webbing, rope, electroplating baskets.

Film applications at this stage are practically non-existent, although producers are experimenting with the material. Economically, there's a lot to be said for a successful packaging film. In less-than-a-mil thickness it could replace a mil or more thickness of conventional polyethylene. Savings could amount to 20%.

Also in packaging, polypropylene eventually should find applications in combination with conventional materials. One producer has shown a blister package—a polypropylene blister laminated to a piece of cardboard and enclosing the product.

Fiber applications presently are limited to monofilament constructions used in products like rope and auto seat covers. But one producer has shown woven textile fabrics. So possibilities exist for the material as clothing, drapes, and the like.

• • •

Within the next year or two there will be five major U. S. producers: Hercules Powder Co. started up early last year with a 20-million lb. plant, expects to increase that to 50 million lb. A new 100-million lb. plant also is contemplated. Montecatini (Italian developer of the plastic) is set to build an 11-million lb. U. S. plant. AviSun Corp. and Humble Oil Co. are building respectively 20 and 40-million lb. plants. Both companies have made plans for expansion if and when needed—Humble to 100 million lb. and AviSun with an additional 100-million lb. plant. Texas Eastman Co. is talking in terms of a pilot plant. Undoubtedly other plastics producers have yet to be heard from.

It adds up to 91-million lb. annual capacity within a year or two. On top of that, the 290-million lb. capacity already planned for or talked about makes an impressive total of 381 million lb.

The billion-pound output forecast for 1965 by industry observers looks a little over-optimistic in the light of present figures. But the figures by themselves don't tell the entire story. Better production techniques could lower the material's cost. Aggressive marketing and product development could, and in fact are likely to, boost demand for the plastic.

• • •

Not long ago a company could develop a new plastic, and keep it out the hands of its competitors. Thus it could enjoy all the advantages of an exclusive market. The best modern day producers can hope for is to get there first.

General Electric's Lexan polycarbonate plastic is a prime example. Pilot plant quantities have been out for test and evaluation for nearly two years now. For G. E. it was a sure-fire exclusive. But simultaneously Germany's Farbenfabriken Bayer had developed an identical material.

Last May G. E. announced it was taking the wraps off Lexan, putting it into commercial production. Now Mobay Chemical Co., a joint venture of Monsanto Chemical Co. and Bayer, is readying a U. S. plant to produce its polycarbonate. The catch is this: Mobay's plant is slated to start up in the spring of next year—three months ahead of G.E.'s.

Your Guide to New Products

(Continued from page 29)



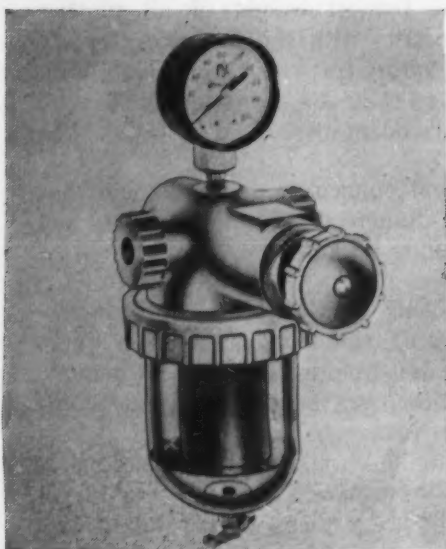
Conveyor Scale

Simplifies Mailroom Operations

Conveyor scale is designed to reduce mailroom procedure to a simple operation. The 8-zone parcel post scale is equipped with a roller-platform which can be adjusted to the same height as the conveyor system so the scale chart may be read at eye level from a standing position. Carton is started on the conveyor, weighed on the scale and sent on to the loading dock.

Price: \$490. Delivery: 3 wk.

Triner Scale & Mfg. Co., 30 W. Monroe St., Chicago, Ill. (P.W., 9/21/59)



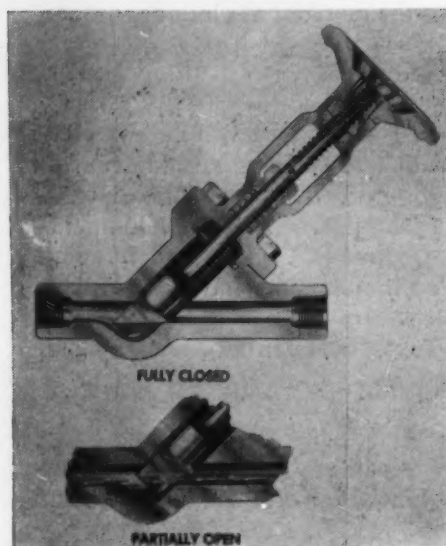
Air Filter-Regulator

Delivers Air Ready-to-Use

Regulator-filter combination delivers a "working" air stream accurately regulated to desired pressure and filtered of damaging dirt, scale, and condensate. It has a balanced piston action that maintains accurate regulation and withstands severe continuous service. Filter cartridges are available in 40, 25, and 10 micron ratings. Available in 1/4-in., 3/8-in., 1/2-in. and 3/4-in. NPT.

Price: \$25.75 to \$29.50. Delivery: immediate.

Perfecting Service Co., 332 Atando Ave., Charlotte, N. C. (P.W., 9/21/59)



Control Valve

Uses New "Straight-Flow" Principle

Control valve uses new principle in which the flow moves in a direct and unrestricted straight line through the valve in all throttling positions. It can pass more fluid or gas for a given pressure and with less turbulence. Pressure ratings are from 600-10,000 psi. in sizes from 1/8 in. to 4 in. Any style packing is available to meet corrosive service and automatic control is available.

Price: From \$140. Delivery: 30 days.

General-American Valve Co., P. O. Box 444, Corona Del Mar, Calif. (P.W., 9/21/59)

Purchasing Week Definition

Fibrous Glass

Wool—Individual fiber diameters cover large range. Produced in batt form. Unbonded wools sprayed with lubricant. Bonded wools sprayed with uncured thermosetting resin. Batt then is compressed to thickness and oven-cured.

Coarse-fiber pack—Coarse fibers drawn in almost unbroken lengths. Binder holds packed fibers together.

Stable textile fiber—Fibers have small diameter, 0.00028 to 0.00038 in. Length ranges to 15 in. or more. Can be twisted and plied into coarse yarns or stretched and twisted to form fine yarns.

Mats—Staple fiber formed into mats. Contains a binder.

Continuous filament—Number of fibers drawn from molten glass to form a single continuous strand.

Most fibrous-glass products use lubricants, binders, and coatings to provide specific properties.

Lubricants—Reduce fiber abrasion.

Binders—Bond or hold fibers together.

Size—Coatings applied to fiber while it is being formed. May consist of lubricants and/or binders.

Finishing—Any operation done on fibrous-glass textile products previous to end use. May include size removal, dyeing, impregnating. (P.W., 9/21/59)

Changing Needs of Office Mechanization

EQUIPMENT

Typewriters
Dictating Machines
Adding Machines
Calculators
Copying Machines
Duplicating Machines
Filing Equipment

WHAT THEY'RE BUYING

More Electrics
Central Station, Magnetic Recording
10-Key Electrics
Integrated Punched Card Systems
Machine for Each Job
More Offset
Bigger Cabinets, Open Shelves, Microfilm

Purchasing Agents Changing Tune To Meet Office Automation Needs

(Continued from page 1)

2. Semi-automatic machines are falling prey to automated procedures. Most companies report buying fewer adding machines, calculators, and manual filing systems.

Here is how trends shape up for major office equipment items:

• **Typewriters**—Trend is towards electrics. Manuals still have their place, but more and more jobs demand speed or legibility of electrics. Chance Vought in Dallas says it is going electric because "multi-copy letters require them." Bethlehem in San Francisco says all typewriters being purchased are electric. In Detroit, Ford says new typewriters are 95% electrics.

Initial cost is getting so close (with electrics coming down and manuals going up) that it hardly pays to buy a manual, says a New York P.A. An Atlanta manufacturer agrees, but claims that "upkeep on the electric is higher."

It is all a question of the type of work that the typewriter must do. A Los Angeles buyer says that electrics are a must for ditto work, executive letters, manifold forms, etc. Oscar Henenberg, P.A. for Texas Power & Light sums it up this way: "The usage of electrics is constantly increasing, but you must match the typewriter to the job. Check the requirements and see if an electric is warranted."

• **Dictating Machines**—Move is towards centralized systems—where you pick up the phone and dictate to a central station. A Cleveland sound firm states that "the bigger, progressive companies want the works. They want to dictate over the phone, use the same equipment for the public address system, then switch around to outgoing and conference calls."

All this doesn't mean that the secretary is on her way out. To the contrary, she is holding her own in the race to electronics. As a Los Angeles P.A. put it: "Preference here is for the portable dictating machine for traveling; at home, the secretary is much, much, much preferred."

Almost everybody agrees on one point. Magnetic recording, rather than stylus cutting, seems to be the coming thing. Cost is the main reason—magnetic records can be reused.

• **Adding Machines**—The 10-key electric has taken over the field. Mechanicals are out—they are too slow. Don Walden, P.A. from Sherwin-Williams in Texas is "buying all 10-key electrics because the employees prefer them. The new models do more, but you have to remember more to use them."

Use of adding machines is decreasing in many companies as integrated data processing systems take over many of the jobs formerly done by hand.

• **Calculators**—Automated, integrated systems are firmly established. Both small and large companies report that punched card equipment is a must. Bethlehem put in a complete system last year. Lockheed is using equipment on a trial basis now

in Sunnyvale, Calif., and may expand it in the future. Companies buying semi-automatic calculators lean toward the printing type.

This increase in automated equipment is cutting purchases of other office items. At Southern Mills, in Atlanta, P.A. James Dixon points out "biggest change here is a recent acquisition of a business machine which replaces a billing machine, calculator, and electric typewriter."

• **Copying Machines**—Use a machine for each job. Fluor Corp., of Los Angeles, had one or two copying machines in its entire plant five years ago. Now they report they have one in virtually every department.

Companies complain that they haven't found one machine which will meet all needs. Copying jobs fall into three classes.

1. Large drawings and forms. Use wet process or diazo.

2. Small drawings, forms, etc. containing color or ink copy. Use wet process, usually two step, desk machine.

3. Routine letters, forms. Prefer dry process, heat system.

• **Duplicating Machines**—Offset is replacing spirit and mimeograph. In many cases, this means that routine work can be done inside the plant. Boeing, for instance, says it is doing more work itself instead of contracting with Seattle firms. Some companies, such as Texas Power & Light, order plates from an engraver; others, such as Kaiser, make their own plates on standard copying machines. Paper plates are used on short runs; aluminum and zinc when quantities go up.

• **Filing Equipment**—Routine filing is giving way to automation. Data processing systems seem to be absorbing a large part of routine filing procedures. Expensive office space has forced many companies to go to five, and even six, drawer filing cabinets.

Vertical open shelf filing has met mixed emotions. A Texas company uses it when "security permits," and Lockheed has a small installation for library records. Bill Lessman, P.A. for office machinery at Pure Oil in Cleveland says its test installation of shelf filing "saves space, but the side tabs are hard to read."

Microfilming also comes in for its share of controversy. Most companies report increasing use of microfilming. Lockheed says use is up 20%. Douglas makes extensive use of the process in engineering and records. But George Eason of Delhi Oil reports microfilming was tried, then discarded. An Atlanta firm says it gave it a try—gave it up when the people in the accounting department complained that the film was too hard to read. Rule seems to be: Carefully investigate the microfilming procedure before you go out and buy equipment.

• **A host of other machines** also are easing the burden of the office worker. Collators, sorting racks, copyholders, mailing machines, folding machines, all are finding a place.

Independent Tanker Firms Complain Big Oil Companies Don't Play Fair

Washington — Small independent U. S. tanker owners are blasting the big oil companies for alleged practices of depressing tanker charter rates.

The American Independent Tanker Owners Association, Inc. and 12 member tanker companies brought a \$22.5-million damage suit against 8 major oil companies in the federal district court of New York City Sept. 10. The shipping group—owners of three or four tankers each, generally—charged the major oil companies—American, Atlantic Refining, Cities Service, Gulf, Socony, Sun, Texaco, and Sinclair—with alleged anti-trust practices that had forced charter rates down to a point where owners often incurred losses ranging

over \$1,000 a day for hauling oil in U. S. coastal trade.

The independents want the court to break up the alleged near monopoly in tanker use exercised by the oil companies and award triple damages to the independents for some \$7.5 million the group has sustained.

The tanker owners are also seeking to get the Administration to require that 50% of all imported oil be hauled in American flag tankers.

This Display Goes Along With Company Engineers

Knoxville, Tenn.—A traveling display of industrial control devices produced by Fulton Sylphon Division, Robertshaw-Fulton Controls Co., has hit the road.

Working models of automatic temperature and pressure controls, bellows and assemblies, automobile thermostats, expansion joints, packless valves, seals, and engine controls are included in the caravan.

Accompanying the display are factory engineers and field sales engineers.



MOUNTED DISPLAY features parts and assemblies made by Fulton Sylphon Division. Here factory engineer demonstrates them to purchasers.

New Firm Sells Materials To Fiber Glass Makers

Port Reading, N. J.—A newly formed company, Royell, Inc., will distribute raw materials for the reinforced fiber glass industry in Northern California.

The firm will distribute a variety of products, including glass fiber cloth, mat and roving, polyester and epoxy resins, mold releases, catalysts, pigments, gel coats, and miscellaneous chemicals.

Royell is representing Owens Corning Fiberglass Corp. in reinforcing material; Allied Chemical Corp. in resins, and Ram Chemicals, Inc., in chemicals.

Union Carbide Expands

Whiting, Ind.—Union Carbide Plastics Co. has expanded its high-pressure polyethylene production with the opening of a new 80-million-pound-per-year unit at its plant here.

Destined as a source of supply for the Midwest, this new output raises Union Carbide's total capacity for low-density polyethylene to over 400 million lb. a year.

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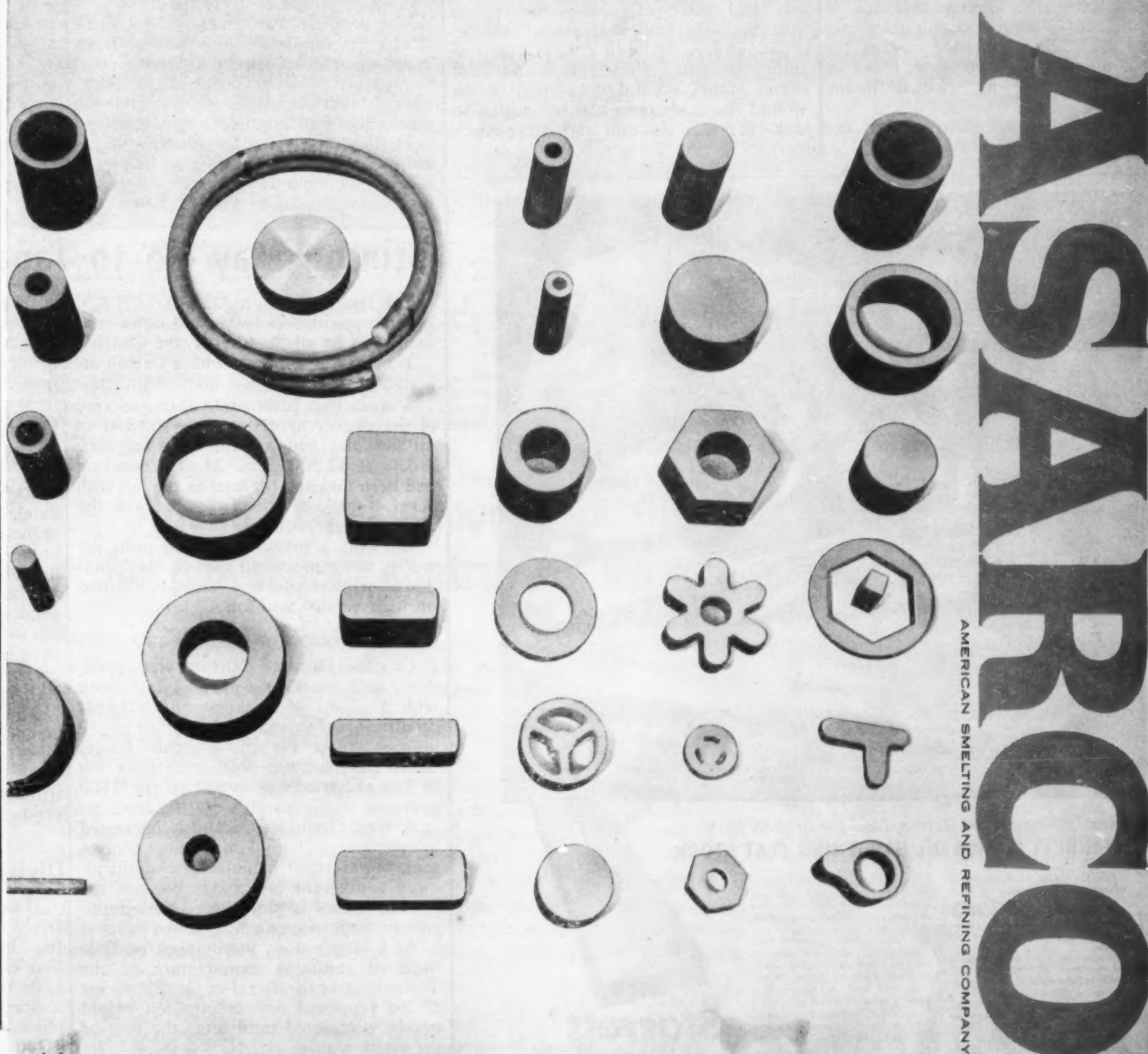
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This WHERE-TO-BUY section is a special classification for advertisers desiring advertising of new equipment, services or merchandise in space units smaller than the minimum run of book display space. Space is available in this section in units from one to six inches. For low rates, Write:

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CONTINUOUS-CAST DEPARTMENT OF



German Steel Magnates Foresee Increase Caused by Lingering U.S. Steel Strike

Bonn—West German steel industry sources warned last week of a possible sudden jump in steel export prices. The forecast was based on anticipated "substantial" increases in global demand as a result of the steel strike in the United States.

Reporting on the increasing demand for rolled products, Ruhr industrial spokesmen also pointed to the unique role the American strike has played in West German Steel markets—that of offsetting possible pressure by cheaper steels from Belgium and France.

Earlier this month, French mills were

quoting a price of \$130/ton for thin gage sheet from Ruhr mills compared to the best German Ruhr offer of 146.50/ton. The picture was almost the same in wire rods with the French offering their product at \$101 compared to \$108/ton asked by German mills. French round bar stock was being quoted at \$97/ton compared to the best German ex-Ruhr offer of \$105.50.

Were it not for the U. S. steel strike, cheaper French steel probably would be flooding German markets, for even now French imports into West Germany are showing a decided upward trend.

But the French are reluctant to step up sales of rolled steel products to West Germany because French steelmen see little reason to provoke tension within the framework of the European Coal and Steel Community at a time when other equally profitable markets are available.

The Germans thus have temporarily shelved the question of a higher compensation tax on French steel imports. But it will become active again once the U. S. steel situation is settled.

English Electronics Ltd. Sends Its New Road Show Scurrying Through Europe

London—E.M.I. Electronics Ltd. has dispatched a traveling road show to the Continent to demonstrate the latest advances in electronic machine tool control systems and other automation aids.

The unit made its first appearance in Paris last week at a machine tool exhibition there. It now is headed for other industrial centers in Belgium, Holland, Germany, Switzerland, and Italy.

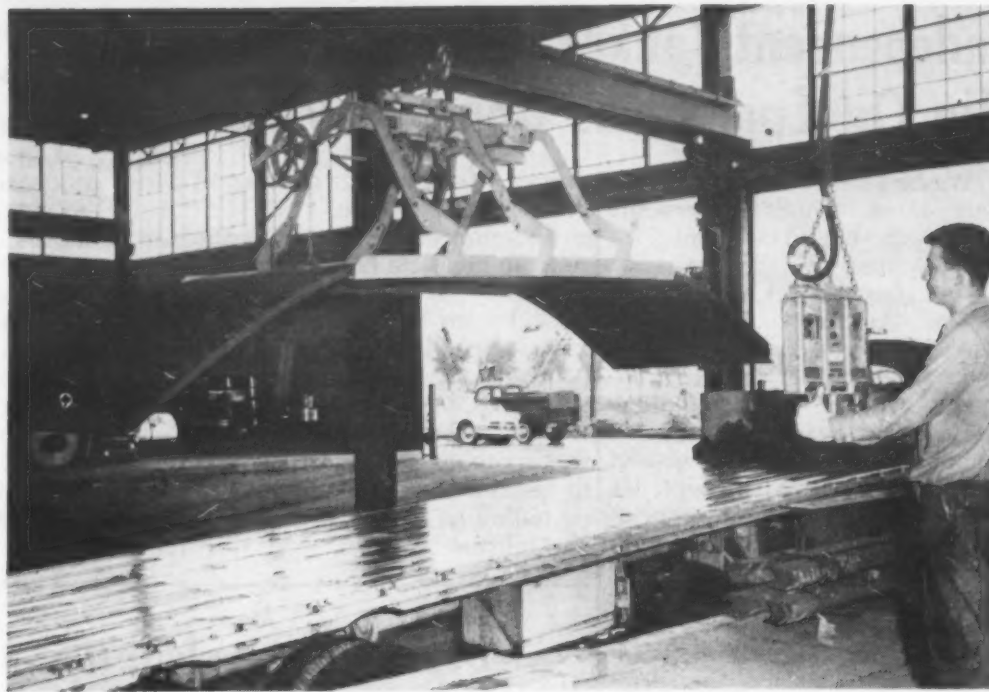
An ambitious effort to display British automation advances, the exhibit is mounted on a 25-ft. trailer fitted out as a complete modern workshop including a 3½-ton Kearney and Trecker milling machine that can (using punched tapes) produce anything from a two-dimensional template to a three-dimensional die. It also includes a closed circuit television system, a small positioning system for controlling drilling operations, and a balancing machine for electric motor armatures.

The British firm hopes to send its exhibit to Moscow early next year.

Aluminum-Covered Clothing Is Porous, Resists Heat

London—Aluminum fabric for clothing uses that could range from ladies' gowns to fire-fighting suits has been developed by the Shirley Institute, headquarters of the British Cotton Industries Research Assn.

The new fabric—a laminate of cloth and .001-inch-thick aluminum—is said to retain both the heat-reflecting qualities of aluminum and fabric's natural permeability to water vapor. It won't hold sweat, allows normal circulation of air around the body, and can be treated to make it crease-resistant and water-repellent.



INVENTIVE PURCHASER Ralph Herdrich of Rolled Steel Corp. dreamed up this special elbow-type leg material handling device, being operated by one of company workers.

P.A. Invents a Steel Device

Skokie, Ill.—Ralph Herdrich, vice president of purchasing for the Rolled Steel Corp. has demonstrated again how to combine purchasing techniques and personal inventiveness to cut costs and improve efficiency.

The mechanically-minded P.A. recently designed special elbow-type legs for a standard five-ton lifter that permit the lifter to handle steel plates up to 84-inches wide. The improvement eliminates the necessity of vertical implant handling and storage of plates, while alleviating a potential safety hazard.

The adapted lifter enables plates to be stored flat so that their shape can be better maintained. Because handling and storage are horizontal, damage to edges has virtually been eliminated and the possibility of rust and corrosion lessened.

Herdrich feels that purchasing agents are in an excellent position to invent or suggest innovations. He says they can broach such subject with salesmen and

even if the salesman suggests something that is too expensive, the purchasing agent might be able to adapt the idea and achieve the same end at a lower cost.

Designing angular legs for the lifter is only one of a number of Herdrich's innovations at Rolled Steel. About two years ago, he devised a lumber rack for use with overhead cranes or fork lift trucks. Now, rather than just snapping the bands and letting a bunk of lumber spill out, the lumber is confined, too.

He also developed innovations for a 20,000-lb. industrial scale. In one case, an adapter plate was attached so that material as long as 40 ft. can be weighed.

To evaluate similar ideas and suggestions, Herdrich said his company has a weekly meeting involving the shipping department, warehouse superintendent, assistant warehouse superintendent, and night foreman—as well as sales, purchasing and traffic departments from time to time.

Stinson May Go to Japan for Car Parts

San Diego—Stinson Aircraft Tool & Engineering Co., its production lines stilled by high production costs, said last week it is seeking a new way to resume manufacture of its all-electric car, the Charles Townabout.

If hopes for a merger with a Detroit area firm fall through, Stinson plans to make a stab at reorganization and manufacture most of the automobiles in Japan.

Stinson had planned to start delivery of the electric sports car this summer to utilities and had a number of advance orders at \$2,200 each. Mass production had been targeted for later in the fall with general sales of the Townabout at the \$2,800 price level.

But only a token number of units actually were produced before the shut-down, which company officials blamed on high vendor and labor costs.

Approaches Japanese for Bids

Charles Graves, Stinson vice president, said the firm conferred last week with a group of Japanese industrialists on a proposal to manufacture most of the auto in Japan. He said fiberglass bodies which have a \$900 production price tag in San Diego can be produced for \$160 overseas.

A West German firm also is interested in producing the Townabout, Graves said, but German manufacture would require a different body style because the current model is almost an exact duplicate of Volkswagen's Karmann Ghia.

As it stands now, there appeared little hope of resuming manufacture of the Townabout until after Jan. 1. Financing of the proposed new corporation would not be completed until after the first of the year.

If the car body were to be produced overseas, batteries and motors probably would be purchased in the United States, Graves said.

Four Southern Glass Firms Join Forces Through Merger

Richmond, Va.—Directors of four flatglass companies, with a total of 34 branches in 16 Southern and Southwestern states, have approved merger to form the Binswanger Glass Co.

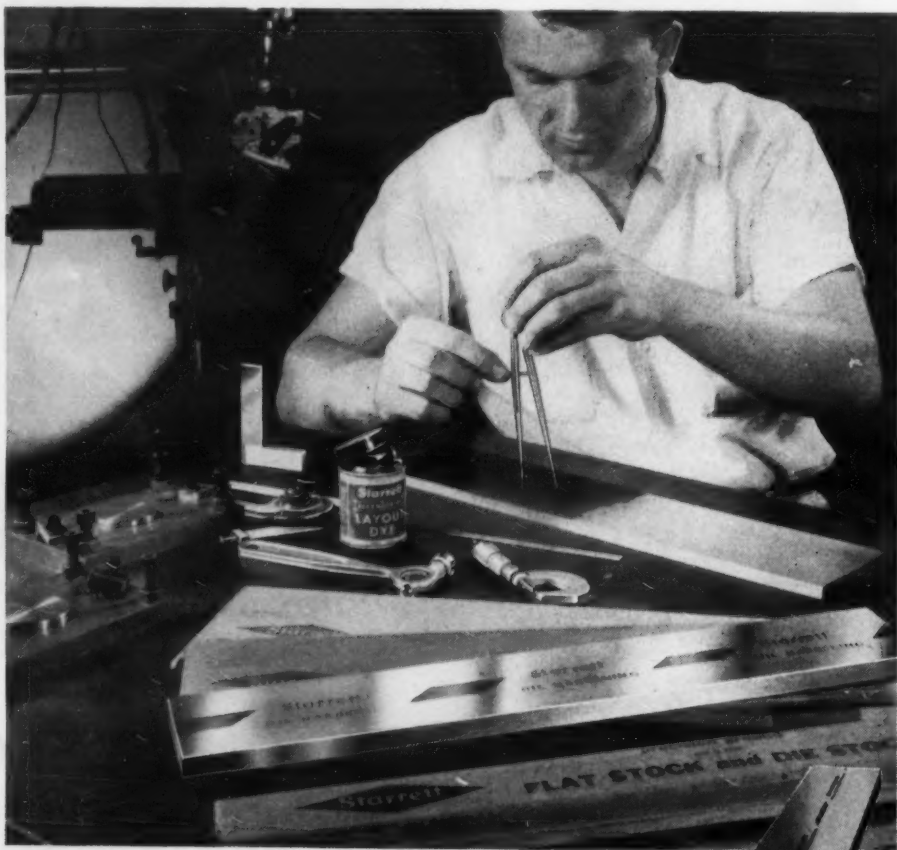
The four companies had been independent firms within the Binswanger corporation. Company officials expect streamlined administration under the new corporate set-up to provide customers with better and faster service.

The various Binswanger organizations, comprising wholesale warehouses, retail glass shops, glazing organizations and truck fleets, are the largest Southern distributors of Libby-Owens-Ford glass products.

Division Plans to Expand

Huntington, W. Va.—Connors Steel Division, of the H. K. Porter Company, Inc., has confirmed plans for a \$1.6-million expansion of steel-making facilities at its West Virginia Works.

Specific plans, according to company officials, call for the addition of some 7,200 square feet in the present furnace building to accommodate a new electric furnace, two ingot-soaking pits, and a 30-ton crane and craneway. Work is scheduled for completion by mid-1960.



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Meetings You May Want to Attend

Previously Listed

SEPTEMBER

Sixth International Packaging Exhibition—Olympia, London, Sept. 8-18.

Pacific Northwest Public Buyers Association—Fall Convention, Columbia Hotel, Wenatchee, Wash., Sept. 18.

Public Works Congress and Equipment Show—Auditorium Arena, Seattle, Sept. 20-23.

Instrument Society of America—14th Annual Instrument-Automation Conference and Exhibit, International Amphitheater, Chicago, Sept. 21-25.

American Oil Chemists Society—Meeting and Exhibit, Statler-Hilton Hotel, Los Angeles, Sept. 23-30.

National Association of Purchasing Agents, 2nd District—13th Annual Southwest Purchasing Conference, Mayo Hotel, Tulsa, Sept. 24-25.

British Purchasing Officers Association—1959 Annual Conference and "Mini-bition," Folkestone, Kent, Sept. 24-26.

National Association of Purchasing Agents, 1st District—13th Pacific Inter-mountain Purchasing Conference, Claremont Hotel, Berkeley, Calif., Sept. 25-26.

National Association of Oil Equipment Jobbers—Annual Convention and Trade

Show, Hotel Leamington, Minneapolis, Sept. 27-29.

Business and Corporate Gift Show—New York Trade Show Building, New York, Sept. 28-30.

National Hardware Show—Coliseum, New York, Sept. 28-Oct. 2.

OCTOBER

Society of Automotive Engineers—National Aeronautic Meeting and Display, Ambassador Hotel, Los Angeles, Oct. 5-10.

National Association of Purchasing Agents, 7th District—16th Annual Conference, Read House, Chattanooga, Tenn., Oct. 11-13.

National Institute of Governmental Purchasing—14th Annual Conference and

Products Exhibit, Hotel Sheraton Cleveland, Cleveland, Oct. 11-14.

National Association of Purchasing Agents, 9th District—Purchasing Conference, Sheraton-Kimball Hotel, Springfield, Mass., Oct. 15.

American Production and Inventory Control Society—3rd Annual Convention and Technical Conference, Hotel New Yorker, New York, Oct. 16-17.

American Standards Association—10th National Conference on Standards, Sheraton-Cadillac Hotel, Detroit, Oct. 20-22.

National Association of Purchasing Agents, 6th District—Conference, Dayton, Oct. 29-31.

NOVEMBER

Air Conditioning and Refrigeration Insti-

tute — Exposition, Convention Hall, Atlantic City, N. J., Nov. 2-5.

American Society for Metals—National Metal Exposition and Congress, International Amphitheatre, Chicago, Nov. 2-6.

National Electrical Contractors Association—Annual Convention and 5th National Electrical Exposition, Fontainebleau, Eden Rock, Deauville, and Carillon Hotels, Miami Beach, Fla., Nov. 9-12.

Milwaukee Association of Purchasing Agents—1959 Products Show, Milwaukee Auditorium, Milwaukee, Nov. 10-12.

National Retail Lumber Dealers Association—6th Annual Building Products Exposition, Cleveland, Nov. 14-17.

International Automation Exposition and Congress—Trade Show Building, New York, Nov. 16-20.

In the World of Sales

Robert F. Moody, sales manager, **Industrial Truck Division, Hyster Co.**, has been promoted to general sales manager for the Portland, Ore., firm.

Lockwood Oliver, Jr., has been made sales manager of **Bardons & Oliver, Inc.**, Cleveland. He succeeds **Edwin F. Hoge**, vice president sales, who retired.

John E. Jardine has been advanced from national service sales manager to manager of distributor sales for **Hydro-Aire Co.**, a division of Crane Co., Burbank, Calif.

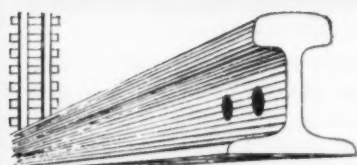
Dermot W. Edmundson has joined **Micro-Path, Inc.**, a subsidiary of Topp Industries, Inc., Los Angeles as sales manager. He had been with Electronic Controls Systems, a division of Stromberg-Carlson, Rochester, N. Y.

Gordon D. Russell has moved up to vice president of sales at **Switzer Brothers, Inc.**, Cleveland.

N. B. Sherrill has joined **Stanley Building Specialties**, North Miami, Fla., a division of Stanley Works, as general sales manager.

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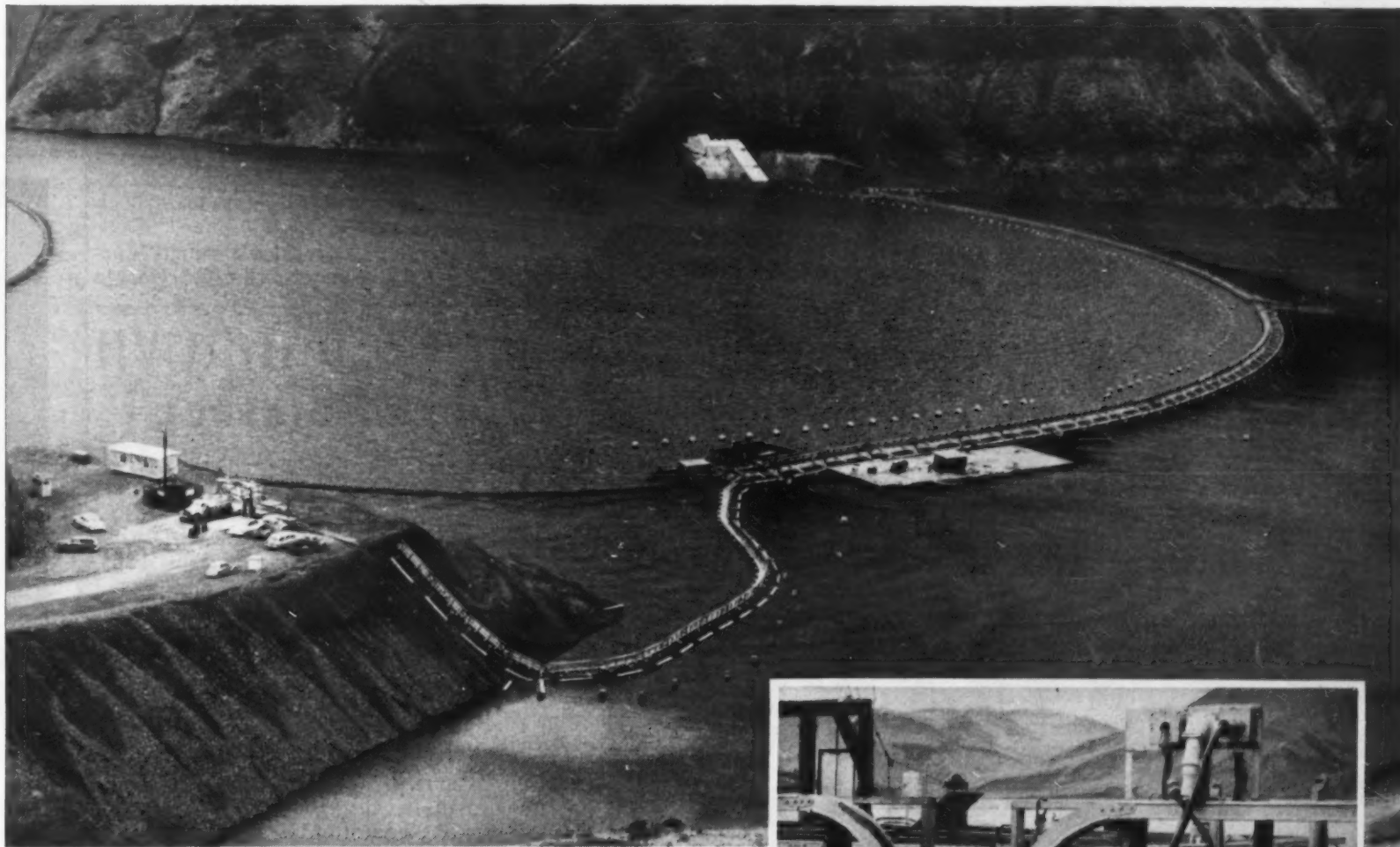
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Post Office Box 12 New York 36, N. Y.



This is the "fish net"—stretching more than a half-mile across the reservoir behind Idaho Power Company's Brownlee Dam in the Hells Canyon reach of the Snake River, bordering Idaho and Oregon. The migrant fish facility, designed to save salmon and steelhead from a drop over the spillway of the 395-foot-high Brownlee Dam, depends on Okolite-Okoprene 600-volt power and control cable for continuous, all-weather operation. Fish trapped at three skimmer-barges attached to the net are taken by specially designed trucks for release down-river.

Here is Okolite-Okoprene on the job, providing power to two 21,000-gallon-per-minute pumps which create artificial currents that lure the fish into channels in the trap. Multi-conductor control cable also enables a complicated maze of control equipment—almost completely automated—to be operated both from the barges and a shore station.

Idaho Power chooses Okolite-Okoprene cables for power and control at "world's biggest fish net"

Okolite-Okoprene 600-volt power and control cable is at the heart of Idaho Power's new fish conservation facility behind Brownlee Dam in Hells Canyon, on the Idaho-Oregon border.

The "world's biggest fish net"—300,000 square feet in size behind the giant Snake River dam—depends on nine-conductor Okolite-Okoprene control cables to carry current to almost completely automated control equipment. And Okolite-Okoprene three-conductor power cables provide power to motors driving two 21,000-gallon-

per-minute pumps which create artificial water currents, luring fish into channels in the trap.

Both Idaho Power and International Engineering Company, the consulting engineers, specified Okolite-Okoprene for the project, seeking maximum operating dependability. The cables are constantly exposed to weather and, in the center section, are submerged in water. Their flexible stranding helps them withstand the movement of the barges on the lake, as well as handling during removal of barge sections or traps.

At the "world's biggest fish net," as in other projects where maximum dependability and proved service life are required, Okolite-Okoprene was recognized as the best cable for the job. Its long life and dielectric strength . . . its resistance to corona cutting, moisture, heat, chemicals and mechanical damage make it the most reliable cable on the market. For the full story on Okolite-Okoprene, write for Bulletin PS-1085. The Okonite Company, Subsidiary of Kennecott Copper Corporation, Passaic, N. J.



where there's electrical power . . . there's **OKONITE CABLE**

7229



Carolinas-Virginia Association Meets

Greensboro, N. C.—The Carolinas-Virginia Purchasing Agents Association (photo) opened its fall season here with a two-day meeting Sept. 11-12. One lively discussion group was composed of (standing, left to right) Furman B. Pinson, vice-president of the Carolinas-Virginia Association; Jack T. Holt, past national vice-president; C. C. Johnson, Jr., vice-chairman District public relations committee; (seated, left to right) R. S. Burnett, national vice-chairman—Grayson C. Meetze, president of the Carolinas-Virginia Association; W. G. Thomas, a charter member; and Paisley Boney, national vice-president.

'Four Decades of Purchasing' Highlights Dallas Purchasers' First Fall Meeting

Dallas—Citing lessons learned in the past, Dallas P.A.'s took careful aim at the future at their association's first fall meeting.

Discussing "Four Decades of Purchasing," former Dallas P.A.A. presidents spoke of achievements and problems their association had faced over its 40-year existence—and the hurdles that lie ahead.

Program M.C. Ben Newberry—former N.A.P.A. president and Shipman Medalist, opened with a discussion of the economic outlook for the balance of 1959. Newberry was Dallas Association president in 1928.

Following Newberry, past presidents took a look at the last four decades of association existence.

John Babcock, plant superintendent, Pollack Paper Co., recalled the difficulties the association had getting started. Babcock, a charter member in 1921 and president in 1925, said membership remained small for many years due to lack of interest by P.A.'s.

Membership dropped alarmingly during the Depression, according to George

Martin, superintendent, Office Service, Chance-Vought Aircraft. Martin, Dallas Association president in 1934, told how the Association began fading until a successful drive netted 50 new members and restored organization solvency.

C. F. McAuliff, Texas Tie and Timber Co., picked up the thread with tales of priority-rationing during World War II. McAuliff was Dallas Association president in 1941.

The problems of the 50's were highlighted by Frank Wodrich, Dallas P.A.A. president in 1952, who cited the need to reduce costs and recognize the management profit squeeze.

Wodrich, purchasing director for Texas Instruments Apparatus Division, concluded that successful purchasing in the 60's will demand management concept and understanding one's company profit structure.

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SLING
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..... **FACTORY-MADE**
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Campbell offers Factory-Made and Customized Sling Chains . . . both with the same strength and working load limits!

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Available in all styles from Campbell's three strategically located plants. In three grades: Cam-Alloy, Wrought Iron, High Test Steel. Campbell **Certificates of Test** issued for your safety. Write today for Catalog S-558.

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FACTORIES: York, Pa.; West Burlington, Iowa; Alvarado, Calif.
WAREHOUSES: E. Cambridge, Mass.; Seattle, Wash.; Portland, Ore.;
Atlanta, Ga.; Dallas, Texas; Chicago, Ill.; Los Angeles, Calif.

N.A.P.A. District VII Holds Workshop

Atlanta, Ga.—Value-analysis, standardization, public relations, and professional development topped the list of problems taken up at N.A.P.A.-District VII's workshop held here on Sept. 12.

The all-day workshop attended by 57 P.A.'s, brought recently-elected association committee chairmen up to date on methods of handling their jobs in the coming year.

Purchasing Education in Schools

Marshall Edwards, Jackson, Miss., professional development committee chairman, led his group in discussions of purchasing education in schools and colleges, communications within the N.A.P.A., and plans for professional development activities outside regular association meetings.

Each association's professional development chairman reviewed the two best programs in his association during the past year.

The Value-Analysis, Standardization Committee (VASCO) group, led by Vice-Chairman H. B. Hendrix, of Chattanooga, held a free-for-all discussion on how to present the VASCO program to the experienced P.A.—"without insulting his intelligence."

Hendrix told the group that VASCO methods should be presented so as to complement, rather than offend the experience of long-time P.A.'s.

Need for Business Surveys

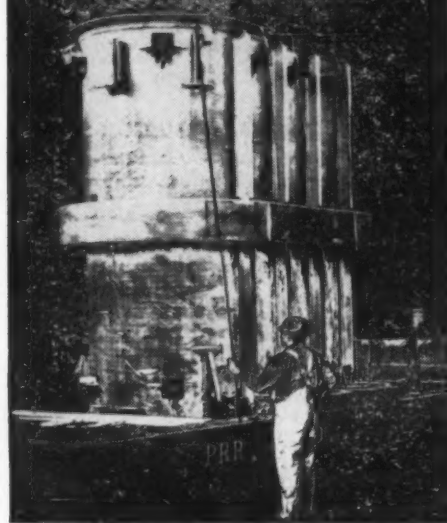
The public relations group, led by Vice-Chairman Ed Tinnell, El Dorado, Ark., stressed use of association-business surveys in local public relations. The group laid plans to distribute monthly business surveys to chambers of commerce, industrial development groups, radio, television and the press.

Pointing out that the annual buyer-seller meeting in Birmingham, Ala., attracts 900 salesmen and purchasing men, Tinnell encouraged association chairmen to push for at least one such dinner per year.

North Jersey P.A.'s Meet

Newark, N. J.—George A. Renard, who for 30 years served as N.A.P.A. secretary-treasurer, spoke on "Greater Recognition for P.A.'s" at the season's first meeting of the North Jersey Purchasing Agents' Association, here, Sept. 8.

**WE TAILOR-MAKE 'EM
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THIS is a power transformer tank that Alcoa fabricated for General Electric—a one-of-a-kind job. It is big—13 ft high—and weighs 6,500 lb. It is leak-proof and conforms to exacting dimensional requirements. Alcoa's Jobbing Division built it, because Alcoa has both the fabricating facilities and the engineering skill to deliver this kind of extraordinary order. It is the kind of job Alcoa takes in stride.

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Purchasing Perspective

More Jounce
to the Bounce

(Continued from page 1)

production soared to new levels in a steady advance that continued for nearly a year.

The same general sort of snapback—recorded also in Gross National Product figures—occurred in 1956 following the fire-week walkout in steel. Other post-steel strike recoveries were similarly vigorous.

Past experience shows that the fears surrounding a major steel walkout have usually been exaggerated when final tallies of its effects are finally made. And the question naturally arises—can the snapback be just as spectacular in 1959?

Prevailing opinion still holds that the makings of a continued booming expansion on all fronts still abound: rising capital equipment expenditures, near record auto production, strong inventory demand, and increasing consumer durable outlays.

But the longer the strike drags on—prolonging uncertainties in other industries such as aluminum and copper—the longer we will have to wait for the long-promised expansion of the 60's.

Plastics producers trimmed another 3¢/lb. off the price of certain types of linear (rigid) polyethylene last week, thereby adding new punch to the industry's dreams of swiping more markets from steel, aluminum, bronze, glass, paper and other "older" products.

The price reduction, initiated by Phillips, meant more immediate competition however for products in its own field, such as conventional polyethylene and polystyrene.

Los Angeles Businessmen on Prowl For New Industries, New Products

Los Angeles—Business men of this expanding West Coast metropolis are on the prowl for new industries and new products. They're counting on the aid of the area's purchasing experts.

The Los Angeles Chamber of Commerce has embarked on what is described as the area's "most progressive industrial analysis survey." The president of the Chamber, J. E. Fishburn, Jr., said the project calls for itemizing the volume and types of goods now purchased by Los Angeles-based firms from outside Southern California.

Representatives of the Los Angeles Purchasing Agents Association were scheduled to meet with Chamber of Commerce officials last week to go over details of the survey which in effect will determine what new industries are needed in the Los Angeles metropolitan area.

"Information obtained will serve as a two-pronged program for rifle-shot area development efforts to encourage local firms to manufacture key items now purchased elsewhere and out of state, companies encouraged in such production to locate branch operations here," Fishburn said.

Purchasing stands to benefit from the project because new industries located in the area means closer sources for products and thus lower cost, faster deliveries, and new opportunities for personal discussions of supply problems.

Los Angeles business leaders emphasize that more than 100,000 persons are moving into the Los Angeles metropolitan area annually. This influx thus creates the problem of creating new job-producing activities on a far greater scale "if we are to meet the challenge of this population growth," a Chamber spokesman said.

The market analysis will be developed from a questionnaire to be sent to approximately 1,500 of the largest local firms.

Court Orders Stop Put To Wire Nail Price Fix

San Francisco—A federal judge last week ordered five American importing firms and five Japanese exporters of wire nails to cease price fixing the other illegal trade practices on the West Coast.

The 10 firms, defendants in a civil antitrust action filed in April 1957, agreed to consent judgment in federal district court here.

The American and Japanese defendants were accused of conspiring among themselves to restrain trade in the importation, sale, and distribution of Japanese nails up and down the West Coast. The government complained that they conspired to limit the sale of the Japanese nails to the five American importers, to stabilize prices, and to allocate orders among the firms involved.

The court's injunction blocks the firms involved from entering into or maintaining any agreement to determine in advance what buyers will be permitted to purchase the Japanese product, from fixing prices and from allocating sales territories.

The American firms consenting to the federal injunction were: R. P. Oldham Co., Los Angeles; Winter Wolff and Co., Los Angeles; Balfour, Guthrie and Co., San Francisco; Thomas D. Stevenson and Sons, San Francisco; and John P. Herber and Co., Seattle.

An 11th defendant, Mitsubishi International Corp., New York, said it would fight the charges.

Can Makers Say New Price Cut May Be on Way

(Continued from page 1)

tions, that "we were forced to remain competitive once again."

The situation was far more ominous for users of glass bottles and jars. More than 90% of the industry was hit by a strike called last week by the A.F.L.-C.I.O. American Flint Glass Workers Union.

More than 2,000 members of the union's mold-making department walked off their jobs Sept. 13 after refusing to agree to changes in hiring clauses. Changes in the grievance procedure and wages also were chief factors in the strike.

No immediate effects of the walkout were felt because the industry's other unions are holding to contracts providing for no strikes and no lockouts, and therefore did not immediately set up picket lines.

Most of the industry at mid-week was still operating at about 85% of capacity, except for a few shutdowns on the West Coast. But the situation was subject to sudden change.

As glass containers are bulky, users' inventories were generally small. A spot check by PURCHASING WEEK showed that most buyers have a 15-30 day stockpile and in many cases would not be able to withstand a strike of a month or more.

Many bottle using firms were hopeful the walkout would not last more than a week.

While metal can buyers could be hopeful as far as prices are concerned, they could well find themselves in the same boat as glass container users come Sept. 30. That's when union contract with American Can and Continental, covering some 50,000 workers, expire.

The United Steelworkers Union presented the companies with demands last week which are almost identical to those made to the steel industry.

Ohio Oil Joins Parade of U.S. Firms Seeking Foreign Trade

(Continued from page 1)

one-man specialty has quickly expanded into a separate five-man department handling nothing but procurement for Ohio Oil's non-U. S. holdings.

Complications arise that you just don't face in domestic procurement, declared John L. Gompf, head of Ohio Oil's new foreign procurement department.

"Although the basic approach is the same, you use different purchasing procedures in procuring for foreign use," Gompf said.

Expediting Critical

"You do more negotiating on each purchase. Paper work and documentation becomes more involved and more crucial.

"You miss a ship by a couple of hours and the delay could stretch into weeks."

Ohio Oil's expanding overseas operations include exploration through wholly-owned subsidiaries in such widely scattered places as Libya, Guatemala, and Canada. Buying for these distant places means purchasing of trucks and other equipment, household goods for company employees' living quarters, plus all the usual oil country goods like explosives and drilling rigs.

"You let yourself in for some real big headaches in this new and highly important field," Gompf sees his biggest problem as communications.

"Both in languages and distances, communication is your biggest problem," he said. Next in line is the problem of rules and regulations—export-import laws, providing documents for shipments in each country, fulfilling licensing requirements, and trying to standardize distribution and practices. These all vary within industries and countries and add up to a workload and responsibility which makes creation of a specialized department necessary, Gompf declared.

"You've got to avoid mistakes

in purely mechanical tasks like translating dollars and measuring standards," Gompf said. His department is initiating orientation and training courses in this specialty.

Ohio Oil already has benefited from being able to take advantage of market situations existing in foreign fields, Gompf told PURCHASING WEEK.

"Pricing structure varies between the export and domestic departments of our own U. S. suppliers," he said. He also noted that about 25% of Ohio Oil's material procurement is placed with overseas suppliers (non-U. S.), thus opening another wide area of markets which must be learned thoroughly.

Key Objectives

Ohio Oil's purchasing division manager, M. E. Loose, said the recent reorganization of his department had a number of key objectives.

One was to give the chief of domestic buying, Everett Snyder, more time for studies and reviews in statistical areas and provide the department with time to use more selective purchasing.

Another benefit of the split provided two definite areas for highly specialized training—a move most important to Ohio Oil management in the light of the procurement potential in all fields where Ohio Oil now has exploration projects.

Shortening Communications

Loose also sees shortening the line of communications with suppliers as an important factor for Snyder, as domestic purchasing agent, and Gompf in the foreign section. He also expects closer liaison with foreign field operations to effect definite cost-saving advantages.

The company will set up a Tripoli procurement office which will operate directly through its Libyan subsidiary, Oasis Oil Co.

Prices Changes for Purchasing Agents

Item & Company	Amount of Change	New Price	Reason
INCREASES			
Wood Rosin, Hercules Pd., WW, fob South, (Oct. 1), cwt	.90	\$10.35	
WG, fob South, (Oct. 1), cwt	.90	\$10.05	
K & M, fob South, (Oct. 1), cwt	.90	\$9.65	
Wood Rosin, B, New York, cwt	.25	\$4.50	
Su fur. light refined flour, bags mines, cwt	.50	\$5.65	
Heavy refined, bags, mines, cwt	.20	\$5.15	
R filled, rolled, bags, cwt	.50	\$5.50	
Vetiver Acetate, lb.	\$1.50	\$27.00	
Glycerin, natural, Shell Chem., 99.5%, tnks., (Oct. 1), lb.	.015	.2925	
USP, 96%, tankcars, (Oct. 1), lb.	.015	.2825	
Spe rmint Oil, lb.	.50	\$5.50	
Copp r Sulfate, crystals, cwt	.40	\$12.35	copper tag hike
Monohydrated, cwt	.55	\$23.10	copper tag hike
Copper Carbonate, lb.	.0085	.349	copper tag hike
Polystyrene, super-imp., "Syron 480," Dow, tnks., lb.	.04	.425	prod cost hike
Black Dye, spirit fast, (Oct. 1) lb.	\$1.14	\$5.00	
Fuel Oil #2, Gulf Coast refin., gal.	.0025	.08	
Diesel Fuel Oil, Gulf Coast refin., gal.	.0025	.0836	
Casein, Argentine, lb.	.005	.1925	
Coconut Oil, fob Pacific Coast, tanks, lb.	.0025	.18	
Lawns, combed, N. Y., 6.90 yd.	.005	.24	upped demand
REDUCTIONS			
Cottonseed Oil, Valley, lb.	.0038	.1038	
Mercury, 76-lb. flask	\$2.00	\$224.00	
Fir Lumber, green, 2x4's Nthwst. Mills, cts., mftbm.	\$2.00	\$70.00	seasonal dip
Linear Polyethylene, high den., Phillips, Celanese, Union Carbide, 20,000-lb. lots, lb.	.03	.35	
Phenylethyl Isobutyrate, lb.	\$1.70	\$3.45	
Gasoline, dealer tnkwgn., East, gal.	.008	.151	
West, gal.	.008	.159	
Anisic Aldehyde, drums, lb.	.15	\$1.70	
Indole, cp, bot'les, lb.	\$1.00	\$14.75	
Gasoline, ret., fair trade, Sun, Atlantic, E. Pa., gal.	.01	.279	
W. Pa. gal.	.01	.289	
Trimethylolpropane, Celanese, Truckloads, delvd., lb.	.04	.35	
Synthetic Rubber, "Viton," Du Pont, (Oct. 1), lb.	\$5.00	\$10.00	lower costs

Congress Goes Home, Leaves Unfinished Business Behind

Washington—The 86th Congress adjourned its first session last week on a discordant note that also marked its start nine months before—the issue of inflation.

The closing marked only a temporary break in hostilities that have grown increasingly bitter between the Democratic Congress and the Republican Administration. Much of the work remains unfinished, and the tough legislation swept aside this session will have to be faced again next year.

As it now goes into the history books, the session is being dubbed the "Eisenhower Congress" because of the almost complete capitulation of Congress to the President's views.

Eisenhower's success in tying spending to his efforts to hold down inflation was the most striking development of the first session. However, this was only a first round victory in the battle over inflation.

The second will center on government financing and tight money.

Considers Special Session

Eisenhower is considering calling a special session of Congress this fall to rifle public attention in on the need to raise the interest rates on long-term government bonds.

Many Democrats claim the answer to the government's mounting financing problem is to have the Federal Reserve Board ease up on its tight money policies and increase the money supplies for both private and public borrowing.

Administration officials counter that this course is fraught with inflationary perils. Hence, the stage is set for the second round battle over inflation.

Here is a general rundown on the accomplishments of Congress and a preview of what lies ahead:

Prices—Pre-price notification legislation got nowhere this year. It will get a lease on life next year. Particularly should a steel settlement result in touching off price rises.

Fair trade price legislation is given a good chance next year.

Labor—Passage of a labor controls bill marked one of the high points during the session. Aside from its reform measures guaranteeing union member rights, the bill puts strict new curbs on secondary boycotts, hot cargo contracts, and picketing to gain new members.

The issue of raising the federal minimum wage of \$1.25 an hour was ducked this session but will be a strong contender in the 1960 election year.

Antitrust—The Federal Trade Commission was given new power to enforce its findings of price discrimination and exclusive dealing contracts under the Robinson-Patman act. F.T.C. decisions now will be considered final after 60 days unless court appeals are filed.

For next year, the House still must tackle a Senate-passed bill granting the Attorney General new powers to subpoena company records to determine whether to file an antitrust action.

Procurement—Congress set in motion this year new forces aimed at overhauling of military procurement regulations.

Cloud Settling Over Steel Users; Strike Goes On

(Continued from page 1)
much longer. Chrysler, for one, revealed it had made an emergency deal with Lone Star Steel Co., a Texas producer of primarily oil country goods, for new steel supplies.

• Apparent frustration of labor leaders at the A.F.L.-C.I.O. San Francisco convention over lack of progress in the negotiations. Although apparently resigned to Taft-Hartley, they plugged for personal intervention by Eisenhower.

• Increasing activities of gray marketers (see P.W., Sept. 14, '59 p. 1) who came even farther out into the open last week, especially in the Chicago area, and announcements of further employee furloughs and production shutdowns among farm-equipment-construction machinery industries.

Proposals that Eisenhower set up a White House bargaining session came from governors who have been most active in urging more direct White House intervention.

Gov. Robert B. Meyner of New Jersey told PURCHASING WEEK of his recent success in settling a public utility strike during a weekend session with union and management negotiators.

'No Impression'

Gov. Foster Furcolo of Massachusetts likewise declared "the President should call in both sides." Furcolo also suggested a "public fact-finding board instructed to find the facts and publish the conclusions." Labor Secretary Mitchell's efforts as a fact-finder have "made no impression on anybody," Furcolo declared.

Gov. Gaylord A. Nelson of Wisconsin also had a double-barrelled proposal: formation of a "Citizens Fact-Finding Committee" and a White House joint conference "to impress (upon both sides) the severity of the situation."

Get 'Em Back to the Table

Calling "words a poor substitute" for leadership, Gov. Orville Freeman of Minnesota urged Presidential insistence on "uninterrupted negotiations." But Freeman voiced grave doubts "the conflict will be settled until heads of the major steel companies themselves take part in direct negotiations under the auspices of the office of the President."

Gov. G. Mennen Williams of Michigan and Edmund G. Brown of California, while making no specific suggestions on what action the White House should take, insisted on a more active role for the federal government. Although reports of famine

Automatic Copy Machine Uses Ordinary Paper

Can Copy Any Color, Handle Bound Books, Then Shuts Self Off

Rochester, N. Y.—A fully automatic copying machine that can copy any type of material has been introduced by Haloid Xerox, Inc.

Haloid claims that the machine can:

• Copy anything written or printed in any color—including bound magazines and books.

• Print the copy on ordinary paper. No specially treated or sensitized surface is needed.

• Produce copies for 1¢ a piece.

The operator places the original in the machine and sets the dial for the number of copies wanted. Copies are automatically produced at the rate of six per minute, and the machine shuts itself off after the required number are made. This automatic feature means that the machine can be used for short-run duplicating in addition to its copying duties.

Model 914 (named because it can handle up to a 9x14-in. original) is self contained and looks like a modern desk. It operates on the dry, electrostatic principle of xerography.

No price has been set but Haloid will rent it with service included for \$95 a month, plus small charge for each copy over a specified minimum. The company expects to rent most machines because of the anticipated high selling price. (If usual rent-versus-buy cost ratios hold true, the machine will probably sell for between \$3,000 and \$4,000.)

Haloid estimates that a company will have to make about 100 copies a day for the machine to be competitive with copiers that cost much less, but have a



FULLY AUTOMATIC copy machine can take original material of any color up to 9 x 14-in. Makes any number of copies on ordinary paper.

higher cost-per-copy, although they stress that this is the first office machine that can copy everything in one step.

The machine is now in limited production, and Haloid expects to start making deliveries in early 1960.

Here's how the machine works: The operator places the original book or document on the scanning glass on top of the copying desk and covers it with the copy platen (a rubber mat that holds down the material). She then dials the number of copies desired and presses the print button. There are no contrast adjustments to make. The copy image is projected through the glass onto the surface of a positively charged

xerographic drum coated with a thin layer of photo-sensitive selenium.

The light hits the drum forming a pattern of charged and discharged areas corresponding to the original image. A dry, ink-type powder is automatically poured over the drum where it sticks to the still-charged portions.

A positive charge is placed on the copy paper as it comes into contact with the drum and the powder-ink transfers to the copy paper. The copy passes through a heating grid which fuses the ink to the paper. Physically speaking, the copy is then identical to one made by conventional printing processes.

Unions Aim for White Collar Worker

San Francisco—A.F.L.-C.I.O. convention opened here last week with union leaders divided on two big issues—how far to go in

piled up from harried steel sleuths throughout the country, federal officials said there had been no "noticeable increase" in requests for priority assistance from defense contractors. But the pinch on plans in civilian production was tighter and Washington officials knew it.

At White House request, governors throughout the country were submitting economic data on the strike's effects. And these facts, coupled with Labor Secretary Mitchell's (and other) reports were being scrutinized in the light of the Administration's apparent deadline of late this month or early in October for Taft-Hartley action.

The list of firms that fell prey to the steel supply stranglehold last week included some pretty big names.

General Electric in Louisville said it would have to close down the washer production line at its home laundry department.

Caterpillar Tractor Co. notified employees it was considering the possibility of curtailing operations after Sept. 25.

spicing up labor's organizing and political programs.

On organizing, there was no doubt about the targets—white collar workers and production employees in the South. Neither have been dented so far by union organizers.

Not Enough Money Spent

Autoworkers' President Walter Reuther, backed by other presidents of former C.I.O. unions, claimed the combined A.F.L.-C.I.O. has not put enough money or manpower to back the organization drives.

The A.F.L.-C.I.O. staff includes only about 30 organizers compared to close to 200 at the time of the merger of the union groups in 1955. In the 12 months up to last June, the A.F.L.-C.I.O. spent \$105,000 for organizing, or almost \$30,000 less than the previous 12 months.

Slow Membership Pace

The slow membership pace was evident in federation figures showing 12.6 million members, a drop of 80,000 since 1957. And while George Meany's report said "we are determined to press forward with invigorated campaigns to organize the unorganized, especially in the white

collar field," Reuther insisted that this be followed up with more spending and more organizers.

While dividing on the issue of how to go to raise labor's sagging fortunes, union leaders at the convention did agree for a change in union tactics. That insured more concentration—in funds and manpower—in both the organizing and political areas.

More Political Pressure

The Meany strategy on politics called for greater political pressure on candidates in the 1960 election to demonstrate the unions still wield political power. It would mean withholding funds from some previously supported Democratic candidates and in other cases, A.F.L.-C.I.O. endorsement of political rivals even though they would not normally be first choice.

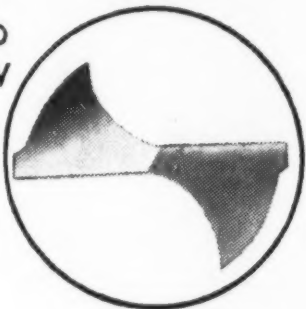
The old C.I.O. faction headed by Reuther and Electrical Workers President James B. Carey, urged an additional step. They sought revamping of union lobbying tactics to see that their election gains are followed through in legislation. Meany himself took the brunt of their criticism for failure to block the labor reform bill.

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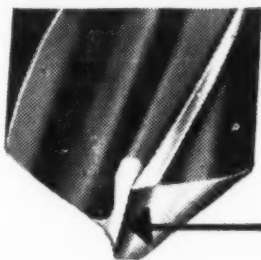
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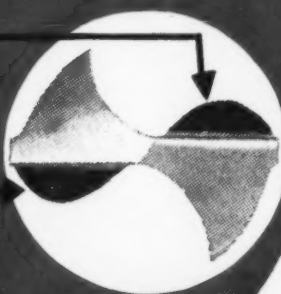
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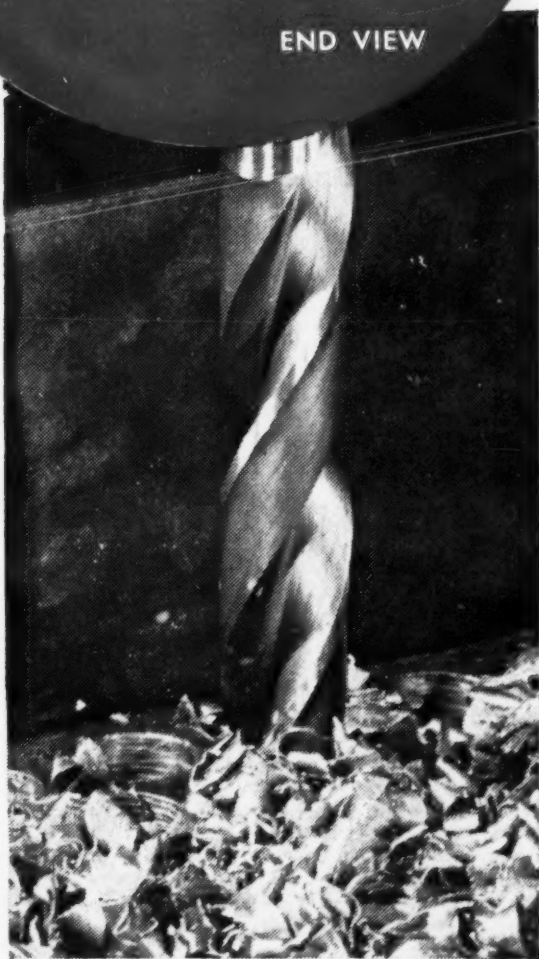
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